

DOING US GOOD AND PLENTY



CHARLES EDWARD RUSSELL

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DOING US GOOD AND PLENTY

BY
CHARLES EDWARD RUSSELL

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DOING US GOOD AND PLENTY

CHAPTER I

CURRENT STYLES IN GOVERN- MENTAL BUNK

WELL, fellow Americans, tariff reform wasn't the thing, after all, was it?

Do you remember how we were told year after year that the abominable tariff was the root of all our troubles? It was the tariff that increased the cost of living; it was because of the tariff that we were getting relatively poorer all the time. Whenever we pointed out that provisions were constantly growing dearer, clothing cost more, and rents were higher, the answer from the wise men was always pat. Blame all this to the tariff, they said. It was behind the protecting wall of the tariff that all such evils grew.

They made the thing look rather plausible, too.

There was an import duty on meat, for instance. Therefore, we could bring no meat from abroad, and the American packer having no competition, could charge us what he pleased. That was the reason why meat was dear.

There was an import duty on wool; that was the reason why clothing was so dear.

There was an import duty on sugar; that was the reason why sugar was high and all articles into which sugar entered cost us so much.

There was an import duty on lumber; that made houses dear and rents high.

On practically everything we consumed was an import duty, and thus we suffered from it. To make living cheap, therefore, behold the simple, certain prescription — Reduce the tariff and you reduce the price we must pay.

Same way with the trusts.

Those hideous monsters of our dreams, how quickly they would vanish when the fierce, man-eating tariff should be driven from our midst! "The tariff is the origin of the trusts," sang from ocean to ocean a large, if indiscriminate, chorus. Some persons thought the trust question was complex and difficult to handle. Gifted thinkers that were editing Democratic

newspapers knew better. The simple way to abolish the trusts was to abolish or reduce the tariff that nourished the trusts.

For instance, if beef were admitted free of duty, that would dispose of the Beef Trust, because then we could buy our meat from abroad and be independent and happy.

If sugar were admitted free the Sugar Trust would not last twenty-four hours. Put lumber on the free list and watch the Lumber Trust melt away, and rents come down with a rush. Reduce the tariff on steel and the Steel Trust would cease to bother and the Wire Trust be at rest.

And it seemed well that we should do something of the kind, for even to the dullest and fattest witted observer the situation was becoming alarming; if not for himself, being full of beef and mutton, at least to his country. You see the cost of living had been increasing rather rapidly for many years, and as wages had increased comparatively little, and in some instances not at all, this did seem to make a tough situation for the workingman. Even a fat millionaire Senator could see that — if it were brought to his attention often enough. It wasn't serious for him, of course, but it might be serious for somebody else.

As to the fact itself, that was not a matter of assertion; it was a matter of statistics as well as of common knowledge among the millions and millions affected by it. Of course old Senator Sorghum does not know anything about it from personal experience, because an increase in the cost of his living is offset by the natural increase in his revenue from the investments that are fattened upon other folks. But he can very easily ascertain all about it if he will turn to the official and other reports. Thus, for instance, what are called "index numbers," a device for registering average prices on the markets, show that in twelve years the average cost of living has increased 50 per cent., and in seventeen years it has increased nearly 80 per cent., but in the same period of seventeen years the average of wages and salaries has increased no more than 20 per cent.

In other words, here is demonstration for the well-fed Senators of a fact that to all the workers needs no other demonstration than their experience. The worker in America is constantly growing poorer. Every year he must pay more for practically everything he buys, and whatever good luck he may have had in securing an increase of wages the prices have soared faster than his income. Every worker

knows this. It is only set down here to explain what happened to the mind of Senator Sorghum when the fact was driven in upon him.

Not only is the cost of living increasing more rapidly than any increase in wages, but every time wages are forced up, whether by strikes, threats, appeals, the work of the unions or what else, the fact is made an excuse for jacking up the cost of living another notch, so that the increase in the good man's wage really reacts to his disadvantage.

Thus, when in 1910 the anthracite coal miners succeeded in extracting from the Coal Trust a slight increase in their wages, the Trust immediately used the fact as an excuse to advance the price of coal 25 cents a ton, and thereby increased its income \$15,000,000 a year; whereas the increase of wages it had granted to the miners cost the Trust only \$6,440,000 a year—thus adding \$8,560,000 net to its yearly gouge. But the increase of 25 cents a ton went into the production cost and the transportation cost of 90 per cent. of the things the miners bought; with the result that they were no better off than they were before.

But the Trust had \$8,560,000 more to divide.

All these facts were undeniable and not pleasant to contemplate, even to the gentlemen of the professional and well-to-do classes, to whom exclusively (for some reason never disclosed) we entrust our government.

It was all well enough to have a working class perpetually on a lower social plane, but if that working class was every year being worse fed and worse housed, and was getting constantly poorer, those among our legislators that were able to think at all conceived that the outlook was not wholly reassuring.

Suppose the working class, for example, under such conditions, should get tired of being forever fooled into supporting Lawyer Sorghum and Politician Mazuma; suppose the worker should quit voting for his employers, as represented in the Republican and Democratic parties, and begin to vote for himself. You see the possibilities were not nice. Of course the worker never had revolted nor shown signs of insubordination in his politics, but there was no telling what might happen in such an extraordinary situation. Where the cost of living was always increasing, and there was no corresponding increase in wages, was every possibility of trouble. Every year it was harder for the workingman's wife to make her hus-

band's income buy the food for the household and clothe the children; every year she must scrimp more and practice more self-denial; and every year the chances for the children grew worse.

For all this again some of the well-fed contingent told us the simple remedy was to reduce the tariff. If we could import the articles now monopolized by the innumerable trusts the trusts would dry up and blow away, all commodities would necessarily be cheapened, and, of course, down would come the cost of living.

Workingmen were told this throughout the campaign of 1912, and seemed to believe what they were told, for the country elected a Democratic President and a Congress Democratic in both houses, and this Democratic administration promptly applied the simple remedy that had been doped out by the wise men. Congress passed the law reducing the tariff on most things and abolishing it on those important articles that were supposed to control the high cost of living.

Bread was put on the free list; so were crackers.

Meat was put on the free list.

Milk and eggs, potatoes, cattle and hogs, fruits and lard were put on the free list.

Wool was put on the free list.

Corn and cornmeal were put on the free list ; so were bacon and hams.

Lumber was put on the free list.

Wheat and flour were put practically on the free list.

Coal was put on the free list to reduce manufacturing cost and household expenses ; so was kerosene.

Iron ore, pig iron, hides, leather, boots and shoes, cotton, steel ingots, billets and slabs were put on the free list.

The duty on sugar was greatly reduced for the time being, to be abolished a little later.

Salt was put on the free list ; so were fresh water fish.

As you will see, a whole bill of fare, and then some.

This great and wonderful reform has now been in operation about one year.

The result is that the cost of living has not been reduced ; the trusts have not been busted, but only benefited ; the situation of labor has not been improved.

Exactly as before, the workers continue to grow poorer. The cost of living continues to increase upon them. There is no corresponding increase in their wages. The winter of

1913-14 was the worst that the working class has seen in the country for many years; more men were out of work; there was in all parts of the country a more acute distress. Chicago, St. Louis, San Francisco, and many other cities saw demonstrations by the unemployed the like of which had never before been witnessed in American communities. In New York the charitable societies estimated that there were 350,000 men without employment, and it was admitted that the resources of the city government and of private charity were utterly unable to cope with the situation. Many of the unions were caring for unusual numbers of the destitute among their members. In more than one city the well-to-do were appalled at the plain manifestations of distress and discontent among what are called in snobbish speech "the unfortunate."

So it is apparent, brethren, that Tariff Reform isn't the thing; they were not giving to us the correct dope when they handed that out. We have had the blessed old tariff reformed and reduced and amputated and tinkered with in every way those experts could suggest, and the trouble keeps on exactly as before.

Still the cost of living increases, and there is no corresponding increase in wages and sal-

aries. Still, therefore, the whole working class is getting poorer and the prospect for the children of that class gets darker.

But the tariff tinkers were not the only Old Docs that undertook to find a cure for these augmenting troubles. A great many declared that at bottom the whole thing was a question of getting more out of the land. We were not producing enough.

Thus, if we produced more wheat the price would fall, and that would bring down the price of bread, and when bread fell of course other things would fall, too, and there you are with a full solution. Back to the farm — that was the grand idea. Let everybody go to farming. Only a small part of the total surface of the land was cultivated. Immense areas in addition were susceptible of cultivation. Let all those now suffering from poverty in our cities go west and turn farmer. This would relieve the congestion in the labor market and at the same time reduce the cost of living by increasing enormously the supplies of food. How the people of the cities were to get possession of farms was not explained, nor how if they got the land they would find farming profitable when the prices of all farm products were to be cut in half or so. But trifles like these were not al-



lowed to stand in the way of the only true and infallible remedy for all the ills of the nation. Hence, back to the land! Let everybody turn farmer! Shoes, probably, would grow on trees, and trousers on bushes. Anyway, back to the land!

Well, it seems we have been going back to the land, and we have been increasing our farm products, and yet nobody can detect any change in the general situation, except that it grows worse.

I have here the figures before me. In 1913 there were more farms than ever, and they produced more food. The value of the farm products raised in the United States in that year was more than six billion dollars, and exceeded any crop records in our history. We raised about twice as much in 1913 as we raised in 1899, and a billion dollars' worth more than we raised in 1909. It was the bumper crop of America.

The number of farms had increased 11 per cent. since 1910. The total number in 1913 was 6,600,000.

So we have been going back to the land, and we have been applying this far-famed remedy, and these are the results. I do not need to preach any pessimistic view of the outcome.

An official bulletin of the Agricultural Department tells the story and supplies the comment. First, the facts. The bulletin says:

Corn, with a value of \$1,692,000,000, comprised 28 per cent. of the value of all crops, although the volume was under the record. The other principal crops with values are given in the order in which they come: Cotton, \$798,000,000; hay, \$797,000,000; wheat—the largest crop ever raised in this country—\$610,000,000; oats, \$440,000,000; potatoes, \$228,000,000; tobacco, \$122,000,000; barley, \$96,000,000; sweet potatoes, \$43,000,000; sugar beets, \$34,000,000; Louisiana cane sugar, \$26,000,000; rye, \$26,000,000; rice, \$22,000,000; flaxseed, \$21,000,000; hops \$15,000,000; buckwheat, \$10,000,000.

In quantity of estimated production the record has been broken by wheat, rye, rice, sugar beets, beet sugar, and the total of beet and cane sugar. Of the remaining crops, oats, barley, cotton and hops have been exceeded twice in production.

The value of the crops of 1913 is high. A new high record in estimated value is made by the total of all cereals, and separately by corn, cotton, cottonseed, tobacco, and sugar beets. Only once has there been a higher estimated value of oats, rye, rice, potatoes, hay, hops, and the total of beet and cane sugar. Only twice has the estimated value of wheat and of beet sugar been exceeded.

Dairy products of 1913 are estimated at more than \$814,000,000; eggs and fowls have an estimated value of more than \$578,000,000.

The wool production of 1913 was estimated at 304,000,000 pounds.

The prices of fourteen principal crops average about 20.2 per cent. higher than a year ago and 4.6 per cent. higher than two years ago. Their total values average about 3.8 per cent. higher than a year ago and 7.6 per cent. higher than two years ago.

The value of the agricultural exports of domestic production in the fiscal year 1913 was \$1,123,021,469, an amount which has not before been equaled. The reexports, otherwise called the exports of foreign agricultural products, are estimated at \$12,000,000. The so-called balance of trade in agricultural products is in favor of the exports of domestic farm products by \$296,000,000.

The cotton crop now seems to be established in value as next in order after corn. The lint of this crop in 1913, at the price of December 1, had an estimated value of \$798,000,000, and this was not equaled in any former year. It is 14½ per cent. above the average of the preceding five years. The estimated number of bales of 500 pounds gross weight in this crop is 13,677,000; consequently, this crop has been exceeded in quantity by the crops of 1911 and 1912. If the estimated value of the cotton seed is added to that of lint, the total farm value of this crop amounts to \$945,000,000, an increase of 16 per cent. over the average of the previous five years.

That seems to make the back to the farm argument look pretty sick. But listen to what the department says:

However desirable increased production on farms may appear to be from the consumer's standpoint,

it does not follow that such increased production would result in any increase in the cash income per farm or per capita of farm population, or that prices paid by consumers would be any lower.

Had the total production in 1913 equaled or exceeded the 1912 production, it seems probable that the cash income per farm would not have been greater, and might have been less than in 1912; but it is extremely doubtful whether the cost to the consumer would have been any less, because retail prices are promptly raised on a prospect of underproduction, but are very slow to decline if there is overproduction.

So it seems there is little hope here; the prices of food continue to increase, but the farmer gets nothing of the increase.

Something deeper and far more radical than this seems to be our ailment.

Not long ago Congressman H. W. Summers of Texas, who represents a cotton growing constituency, made a sensation in the House of Representatives by a speech on the condition of the Southern farmer. He said:

It is said that the man who makes two blades of grass grow where one grew is a public benefactor, but we are offering mighty poor encouragement for the two-blade production if the two blades bring less money than the one would have brought.

In 1910 Southern farmers produced 12,000,000 bales of cotton. The world said that was not enough. The next year they produced 16,000,000 bales. It cost them millions of dollars more.

The world's appreciation was shown by penalizing them \$125,000,000. The corn crop of 1912 was considerably larger than that of the preceding year, yet it brought \$50,000,000 less.

Plainly, then, the farmer is not getting the profit from the increased cost of living.

To a worker no demonstration is needed that the working class is not getting it; he knows that well enough from his own daily experience. For the benefit of others it may be well to refer again to the statistics. The census of 1910 showed that the average income of a workingman that was the head of a family was a trifle over \$500 a year. Investigations of the Agricultural Department showed a year or two ago that to support an average family in anything like decency anywhere in the United States at least \$900 a year would be required. The New York Association for Improving the Condition of the Poor recently went into this subject scientifically, and its tests showed that the conclusions of the Agricultural Department were too optimistic. The Association took twenty-seven tenement house families that it was caring for, and, after deliberate investigation, adduced the following table as giving the least a family could subsist upon in New York city, anyway:

Rent and light	\$.65
Food	1.298
Clothing	.433
Fuel	.045
Lunches	.089
Dues	.068
Medicine	.079
Ice	.05
Carfare	.065
Household supplies	.091
Miscellaneous	.097
Total daily budget	\$2.965
Total yearly budget	\$1,082.00

If we take the Agricultural Department's figures as indicating the best that can be done in small communities, which is probably the case, and the tables of the Association for Improving the Condition of the Poor as showing the conditions in larger cities, we must be appalled at the next fact we are called upon to contemplate, which is that an analysis of the income tax facts of 1913 showed that 96 per cent. of the people of the United States that have any income at all, whether from wages, salaries or investments, have an average annual income of \$601.

It is very common among well-fed persons that think superficially, or not at all, to push aside any such terrible facts as these by saying

that anyway the worker can better his condition if he wishes to do so. All he needs to do is to practice thrift, economy, zeal and other virtues, and be diligent in the performance of his duties. If he is faithful and intelligent he is sure to rise, and meantime let him deny himself and put money in the savings bank and get rich and independent.

Having delivered himself of which, this kind of a philosopher usually lights a fresh cigar and delivers an impressive lecture on the improvidence of the working classes. The thing has become so common that we even have now a National Thrift Society for the purpose of teaching workingmen and their wives how to make two dishes of one soup bone and to turn papa's trousers a third time for little Willie.

It is easy enough for a man with an income of \$25,000 a year to preach thrift. If he were one of the many millions of workers whose average annual income is \$500 with a \$900 family to support his eloquence on this subject would drop a little. How are you to practice economy when every cent you can earn or hope to earn is swept away the moment it touches your hand by pressing needs and imperative demands? The Thrift Society has not told us

this. I wish it would in the next beautifully printed bulletin.

But about this matter of improving your condition and rising in the world and all that.

It is customarily put forth with a wealth of instances to make the grand old truth apparent to every workingman. James J. Hill began life as a farmer's boy, Charles M. Hays was an obscure clerk in a railroad office, Thomas F. Ryan's first job was to sweep out a store at \$3 a week, Charles M. Schwab used to be a workman in an iron mill, Andrew Carnegie landed on these shores all but penniless. See? These are the opportunities offered in this country to men that are zealous and industrious. Be zealous; that's the thing. Regard your employer's interest as your own. Serve him faithfully and get your wages increased. Then you will not have to complain about hard times and the increased cost of living.

Yes. Well, there is about one foreman, overseer, superintendent or other salaried officer to every 333 workers, so that even at the best the gaudy prospect offered by this prescription is that maybe one person in 333 can rise and the rest must remain exactly as they are, no matter how hard they may strive, no matter how diligent, industrious, zealous and service-

able they may be. They can wear out their hearts and lives in the effort to improve their condition, and have nothing to show for it but their pains.

This is on the theory that all officers of all corporations and industries are taken from the ranks, and that such officers have the same average length of life that workers have.

But, as a matter of fact, the situation is much worse than I have shown, because most officers are not taken from the ranks, and the average length of life among them is much greater than among toilers.

Prof. Scott Nearing, in his valuable book, "Financing the Wage Earner's Family," has some interesting facts that illuminate this subject. He takes the railroad worker as a typical case, which is good, since it is the officer of the railroad that is most frequently held up to the admiring throng as an example of "getting on in the world."

It appears that ostensibly and on the face of the returns a railroad trainman has one chance in three hundred of becoming some kind of an officer on his line, but he has every year a far greater chance of being killed in the performance of his duty for his kind and generous employer. Every year he has one chance in

twenty of being injured and one chance in one hundred of being killed. If he shall work as long as twenty years while he seeks by diligence and zeal to better his condition, the chances are even that in that period he will be injured, and one to six that he will be killed, so that the chance of being injured is three hundred times as great and of being killed is fifty times as great as his chance of becoming a general officer in the company.

From this and other illustrations Prof. Nearing deduces that the tendency of modern industry is toward a form of organization that will require the wage-worker to remain a wage-worker, and without the least hope of being anything else.

Prof. Nearing also seems to find that when a worker reaches thirty years of age the slender, elusive chances he may have had, one in three hundred or four hundred of securing a better position, are practically exhausted, and from that time on he can look for nothing better, but only things worse. At thirty he has reached the maximum of his earning power. But there is no limit to the minimum, for wages are always subject to contingencies of sickness, accidents, suspensions in the industry, over-production, new inventions and the like.

So while the cost of living increases upon this working class and there is no corresponding increase in its wages, it is confronted with an iron-bound condition that offers no possible escape from a state steadily growing worse. This is not the deduction of an agitator; it is the conclusion of the highest authority in the United States on work and wages.

No, it is perfectly obvious that the working man is not getting any of the profit that is reaped from the increased cost of living. Nor is the working woman. Mr. Abram I. Elkus, of the recent New York State Commission to investigate factory conditions, made a searching inquiry about two great industries that employed together 10,893 women, and found that hundreds of these women received a compensation of \$3 a week or less, while other hundreds received less than \$8 each. On this he said:

“Some remedy is needed for such conditions. You know and I know that women can't live and keep body and soul together on such a wage as this. We have got to give the employes a living wage.”

Miss Mary Dreier, another investigator, said that the object of the state was to discover if there were any industries that were paying

wages upon which employees could not live, and the Commission had ascertained that there were thousands of girls earning from \$3.50 to \$7 a week.

“We know they can’t live properly on that,” said Miss Dreier, “and still they go along doing the best they can. We also know big able-bodied men earning not more than \$7 or \$9 a week. They have families to support, and we know it can’t be done.”

Miss Dreier said that in one store she investigated the rule was that the chairs for sales girls which were required by law were not to be used, and that the girls were afraid to tell about it.

“Why is that?” she asked.

A girl in the crowd called back, “Blacklist.”

So it appears that not only do these women work for less than enough to live on, but they are denied the right of speaking about the conditions under which they work, even when those conditions violate the law. Some one with an expert mind should point out the difference between such a situation and the slavery that existed in the South before the Civil War.

Still, the great toll is collected, and more of it every year, for still the perilous condition is maintained under which the cost of living is increasing, and there is no corresponding in-

crease in wages and salaries. Where, then, does the tribute go? The farmer does not get it, but complains all the time of diminished returns for his hard work, complains so bitterly that he is now organizing or trying to organize a huge marketing system of his own that will save him a part of the money now taken from him. The worker does not get it, because he grows always poorer, and slides downward to lower standards of living and bleaker prospects for himself and his children. Where does it go?

Fortunately, as to that also we have some official documents of great interest and value, so that no one need be driven to speculation or mere guess work, nor yet to individual assertions. It is all in the records.

When the Interstate Commerce Commission was investigating the financial wreck of the New Haven Railroad it found that in eight years the capitalization of that road was increased 1500 per cent. and that a very large part of the increase was not represented by improvements of any kind, but was merely the graft or "benefits" pulled off for the insiders that had control of the property. Nevertheless the increased capitalization was a burden on the road the operations of which must be taxed to pay the resulting dividends and interest charges.

That meant that the charges must be passed along for the public to pay, and that meant that all of them must in the end come out of the toiler.

About \$125,000,000 of such "benefits" in the shape of these issues of interest-bearing securities were traced to the fortunate insiders, and suits were subsequently begun to try to recover these amounts. But in any case the securities remain a charge upon the property that the public must pay and in the end this charge must fall upon the back of the producer.

One of these operations may serve as a sample of all. There was a piece of trolley road, more or less junk, that bore the resounding name of the New York, Westchester & Boston. Its stock, we now learn, on high authority, was worth "10 cents a pound," but its purchase would afford a good opportunity to issue more securities for the benefit of the gentlemen on the inside, and others, and also to make further deals. So this junk railroad was hitched up with other "properties," some real and some imaginary, having a total outside worth for everything of not more than \$4,722,348, and for the lot a price of \$11,550,000 was fixed up and paid through Morgan & Co. to Oakleigh

Thorne, a very prominent banker of New York. The examiners of the Interstate Commerce Commission subsequently found that the following was the distribution made of the money involved in this extraordinary purchase:

To C. H. Smith for "surrendering a contract"	\$1,050,000.00
To J. P. McDonald, for negotiating the same	375,000.
To Thorne and Perry in commissions	784,560.
To Thorne and Perry for surrendering their contract	275,000.
Unaccounted for because of burning of Thorne's books	1,032,000.
For Portchester stock (face value \$156,000)	970,000.
To W. C. Gotschall for "maps and plans"	116,000.
To lawyers for "legal fees"	260,000.
To N. Y. R. R. and Development Company for stock	750,000.
For New York City and Contract Company, property	4,722,347.15
Underwriting, brokers' commissions and miscellaneous not specifically accounted for	816,093.15

In turning over the accounts of these transactions the examiners found entries of enormous sums paid to lawyers of prominence, including a justice of the Supreme Court and his firm, a Congressman (\$65,900), two justices of the Supreme Court of New York and others.

Afterward President Mellen of the New Haven on the witness stand before the Commission was asked about this transaction and recalled that it was necessary to amend the franchise of one of the companies involved before the deal could go through, and he said that to get this change made it was necessary to deal liberally with the city politicians. The late Thomas Byrnes, formerly Superintendent of New York's police, Mellen said, acted as intermediary in the transaction of acquiring 24,000 shares of a certain stock, "held by persons of influence." Mr. Mellen said:

"When Byrnes came to me, he was all ready to turn over the stock. But I considered the franchises of the Westchester Company defective in many particulars. I told him there could be nothing doing until the franchises were amended. I gave him a list of the amendments I wanted and also insisted that certain litigation be cleared up. All of my demands were promptly met."

Mellen said that the New York City officials—he thought the Board of Estimate or the Board of Aldermen—amended the franchises. He could not tell how the deal was put through or whether Police Inspector Byrnes did business direct with the politicians.

"I didn't want to know," he said. "All I was after was results for the New Haven road, and I would have done business with the devil himself had it been necessary."

And again:

"I am satisfied this stock was originally issued to contractors and they placed it where it would do the most good."

"You mean they used it to bribe politicians?"

"Well, I mean they used it to get influence. Of course, I don't know all about it. We found the shares of the road scattered. One big block was in Byrnes' hands. We had to have it, and I did business with Byrnes."

"What was the Westchester stock worth?"

"I would say about 10 cents a pound."

"Yet you exchanged good New Haven stock or money for it?"

"I did."

So here is where go some of the profits from the increased cost of living. The farmers do not get it and the workers do not get it, but the parasites are taking it in, hand over fist. And if the job were done when they get the money, there would be some limit to the essential graft. But the fact is that in nearly every case these transactions represent or culminate in the issuing of securities that constitute forever afterward a tax upon the operation of the railroad, to be paid by the public and passed along to the toiler.

Yet this New Haven railroad, thus revealed as a producer of wealth for the insiders, is notorious for the low scale of wages it pays to

its employees and in the last few years has borne an unenviable reputation for the number of its accidents.

But the New Haven is only one small example of where It Goes To. The cases of the 'Frisco, the Rock Island, the Cincinnati, Hamilton & Dayton and other roads offer illustrations just as gross. While the trainmen with equal chances of being injured and one chance in six of being killed are creating this wealth for very little pay, the gentlemen on the inside are raking it off for themselves in always increasing volume. Where they are not concealing behind huge stock issues and crooked deals, they are taking staggering dividends. Look for instance at this table of the recent dividends paid by the Delaware, Lackawanna & Western Railroad, as given by Poor's Manual, the standard authority in railroad finance:

1902	.....	7 per cent.
1903	.....	7 per cent.
1904	.....	17 per cent.
1905	.....	20 per cent.
1906	.....	20 per cent.
1907	.....	20 per cent.
1908	.....	20 per cent.
1909	.....	85 per cent.
1910	.....	20 per cent.
1911	.....	55 per cent.
1912	.....	20 per cent.

In addition to millions of dollars distributed in the shape of stock dividends.

So it is pretty plain here where It Goes To. The farmer doesn't Get It and the worker doesn't Get It, but the case is very different when you turn to the records of the fortunate gentlemen on the inside of these industries.

Those that have not told us that tariff tinkering would cure all our ills, and those that have not expatiated to us on the beauties of thrift and "getting on in the world," have been kind enough to say that Government Regulation of our troubles would make us all happy and cause papa's wages to go twice as far as they can go now.

These would seem to be persons of a degree of hopefulness only to be described as superhuman.

For twenty-five years we have been trying by regulation to achieve some beneficial change in the situation, and the net result of all the nation's effort in these directions has been ridiculous failure. The simple fact that in these twenty-five years the situation for the working class has not improved but only grown steadily worse, is in itself enough to condemn all these efforts at parlor and lady-like reform, for in all this time the cost of living has not ceased to

mount upon the workers, nor has there been at any time a corresponding increase in wages. But the truth is that while the workers constitute the great majority of the population nobody has considered them in all this legislation, nor, as I shall show a little later, has it been possible for the workers to secure the slightest real attention to their desires, even when what they want is a matter of plain and simple justice and of the utmost importance to the welfare of the nation.

But to come back to the failure of regulation, and to look at it merely from the point of view of the classes it was intended to benefit, take railroad regulation, for instance. We began that in 1886, and for the last twelve years every Congress has regularly testified to the failure of the railroad laws by passing a new set designed to correct the weakness of the laws in existence, and each new law has been found on trial to be as flabby and inefficient as the old.

A very good example of this kind of legislative tom-foolery may be found in the long drawn out efforts to stop the species of railroad swindling that consists in the giving of rebates to favored shippers. Every one of our railroad regulative measures has aimed to stop rebating and on its passage each of these laws

has been hailed as at last the sure and effective remedy. The Elkins law of 1903 was certain to stop rebates, the Roosevelt law of 1906 made them utterly impossible and the Taft law of 1910 abolished the last chance that any railroad, however dishonest, could ever slip by with a rebate to anybody. The result being that to-day there is probably in bulk as much rebating as there ever was, the only change being that it is more cleverly concealed and that whereas in former days small shippers had some chance at these favors, to-day they are confined exclusively to the big establishments, which thereby secure still another advantage over smaller competitors.

Many good souls but easily deceived will probably be shocked at my statement that there is in bulk as much rebating as ever and some may think it merely an extravagance. I purpose in this article to make no assertion without the authority therefor, and in this instance the deduction I have drawn is based upon an authority no less than the Interstate Commerce Commission. In a decision handed down January 27, 1914, the Commission unreservedly denounced the practice of rebating as widespread, unlawful and operating to the disadvantage of smaller manufacturing concerns

throughout the United States. These rebates, the Commission found, were often disguised as elimination of demurrage on "industrial lines" owned by the manufacturing plants and claiming to be common carriers, the admission of such industrial lines to the benefits of the so-called "per diem arrangements," and in other ingenious ways; but they were none the less rebates and unlawful. The decision then proceeded to give an astounding list of the rebates it had discovered, and of course where it succeeded in digging up one instance there are probably one hundred that it did not unearth. Some of the largest railroad companies and most important manufacturing enterprises in the country, conducted by eminent gentlemen whose devotion to law and order is vociferous whenever there is a strike, were proved by the Commission to be habitual violators of the statutes against rebating.

Thus the National Tube Company, one of the subsidiaries of the United States Steel Corporation, the decision says, "has forced the line carriers to concede divisions to it out of their rates, which during 1911 are shown to have been \$425,000. This exceeded the entire operating expense of the plant railway for that year."

A long list of industrial companies, among them the Republic, Pittsburgh, Bethlehem, and Cambria steel companies; the Youngstown Sheet and Tube Company, and the Wheeling Steel and Iron Company, are named as having received such preferences and discriminations.

The Commission found that during the fiscal year 1912 the Pennsylvania Railroad had paid \$1,019,910, the New York Central \$660,057, and the Baltimore and Ohio \$530,317 in allowances to industrial railways. Five industrial lines received more than \$1,000,000 in per diem reclaims.

“In many cases,” says this memorable decision, “the cash revenues received by these plant railways out of the rates of the line carriers are sufficient to lift from the industries the entire cost of their operation.” It says that in many instances the plant railway also is able “to declare large dividends on its stock held by the industry.” The Baltimore and Sparrows Point Railroad Company, the plant railroad of the Maryland Steel Company, paid annual dividends on such stock during the last eleven years that “aggregated more than 423 per cent., and have ranged from 20 to 55 per cent. a year.”

Fifteen million dollars a year, according to this decision, is a conservative estimate of the rebates thus concealed — years after all these laws have made all forms of rebating absolutely illegal and prohibited them under heavy penalties. And all these investigations of the Commission, it must be borne in mind, take no account of the enormous rebates that are concealed in other ways.

The decision further points out that allowances paid to and free services performed for large industrial plants relieve them of a heavy expense they would otherwise have to bear as part of their manufacturing costs; on the Pennsylvania lines east of Pittsburgh alone there are 233 such plants where the railroad performs services free.

Such allowances, the decision says, “are an example of the special concessions and rebates in service that shippers with a large traffic are able to wring from the carriers in consideration of being permitted to handle the traffic or share with other lines in its carriage.”

Or to take another handy and ever present illustration, observe the prodigious efforts of the government to deal with the mighty trust problem and what a hash it has admittedly made of the job.

Twenty-four years have passed since the blessed Sherman anti-trust law was passed and cackling reformers said we had come to the end of our trust troubles. To-day there are easily ten times as many trusts in the United States as when the law was passed and they are a hundred times more powerful and arrogant. The law so far as these powerful combinations of capital are concerned, has been merely a joke, or worse.

Whenever a trust has been prosecuted under this law, even when a trust has been ordered by the Supreme Court of the United States to be "dissolved" it has merely advanced to greater profits and greater power. Three years after the Standard Oil trust had been "dissolved" under the Sherman act, the value of its securities had exactly doubled and its prosperity was the greatest in its history. The American Tobacco Company seems to have received similar advantages from its "dissolution" by the same august body. Proceedings have been pending for years against the United States Steel Corporation and other great trusts, but even when these have been investigated and specifically denounced by committees of Congress the cases against them have never gotten anywhere. There is a punishment of

penal servitude provided by this law, but not a trust magnate has ever gone to prison under it. In spite of the fact that the supplies of every great necessity of life in this country are now controlled by a trust.

Very different, it will be recalled, has been the experiences of labor unions and labor leaders under the same law. It was never designed by the men that drew it, to be applied to labor unions. It has been enforced against them vigorously on more than one occasion. It was designed against combinations of capital and against such combinations it has been a dead letter.

Men are now under sentence of imprisonment in New Jersey for agitating against one of these trusts at a time of a strike; the gentlemen that conduct the trust have never at any time been in danger of jail for violating the anti-trust law.

To show now what has been the situation of the working class in all these reforming activities I cite a piece of history that ought to be familiar to all citizens of the United States and still is but little known.

In 1907 the Supreme Court handed down its famous decision in the Danbury Hatters case, the essence of which was that a labor union

could be held financially liable for damages to business resulting from a strike.

Ever since the unions have been trying to have the Sherman law amended so that it will no longer be possible for courts to read into it a construction that was never intended by the framers of the act; in other words to amend the law so as to exclude in so many words all labor unions and farmers' associations.

For years Congress contemptuously refused to so much as listen to the plea of the unions for this elemental justice. I remember that in 1908 the House Committee on Labor refused to give Mr. Gompers so much as one minute in which to state his case. At last the unions succeeded in compelling the Democratic party to pledge itself in its national platform to make the desired change in the law. When the Democrats obtained control of the government the unions asked for the fulfillment of that pledge. President Wilson prepared a new anti-trust law, being another experiment in feeble reform, and the unions desired to have an amendment added that would save labor from persecution under the Sherman law. They drew up one that would have had such a result. The Democratic leaders cried out against it as too drastic and revolutionary; the President, also, was unalter-

ably opposed to it. A contest was precipitated, ending in a long conference and a compromise. The result was that an amendment was adopted pretending to exclude the unions, but in reality doing no such thing, while under cover an adroit provision was slipped over to make injunctions in labor cases easier and more oppressive than ever.

This has been the universal history of labor in all these legislative experiments. While the working class has all these years been the overwhelming majority of the population, and while every bad condition that was complained of bore far more heavily upon the workers than upon any other class, the workers have never been considered for a moment until their complaints and grievances became in the single instance of the Sherman law too threatening to be longer ignored.

Whereupon they were recognized — to the extent of being outrageously fooled, defrauded and humbugged.

It is evident, therefore, that there is no more hope of relief in regulation than there was found to be in tariff tinkering. All of these things are mere devices to distract the working class from its wrongs and their real remedy.

There has been no relief to the worker and

there will be none so long as he remains unrepresented in the affairs of his nation.

Two-thirds of the voters of the United States belong to the working class; nine-tenths of the members of Congress belong exclusively to the parasite class. That is where the trouble comes in. If the working class does not wish to be represented it need not be; but in that position it stands alone among all the working classes of the world. Everywhere else the truth is being recognized that it is utterly impossible for the workers to have justice from a government conducted by and for the exploiters. Consequently, elsewhere the working class is moving on toward what belongs to it. We need not join that procession unless we wish; but if we resolutely refuse to use the means we have in our hands to secure justice we ought not to complain if the government and the courts seem organized against us and meantime the cost of living continues to increase but there is no corresponding increase in wages and salaries.

CHAPTER II

WHEN WORKINGMEN SEEK TO BETTER THEIR CONDITION

THE American newspaper press is the most enterprising in the world.

In the reporting of wars it has no equal. Its lavish expenditures and dazzling achievements in obtaining all the news of the slightest maneuvers in any war have become historic.

In the Spanish-American War the American press spent millions of dollars to describe for its readers every event, no matter how trivial. When war breaks out between Japan and Russia or between Italy and Turkey or between Bulgaria and Greece, the American press has its own correspondents on the battlefields and follows the movements of each army.

In regard to all such matters the American public is remarkably well-informed. It knows all about battles in Albania and massacres in Mexico almost as soon as these have happened.

But it is an astounding fact that whereas this public would know all about a war in Europe

or Mexico, wars exist and are prosecuted in our own country and this same public knows nothing or next to nothing about them.

I mean not theoretical or paper wars but actual, bloody warfare, with sieges, battles, marchings and countermarchings.

I mean that an event can happen in Bosnia and be fully reported in our press, and the same event can happen in a remote part of the United States and the vast majority of the American people never hear of it.

It is the same about law and order. While comfortable, well-to-do people sit at ease, serene in the belief that all is well with the nation and even talking confidently of the reign of peace and the Constitution, elsewhere civil war may be raging, all law and all constituted authority may be abolished, battles may be fought and deeds of almost unparalleled atrocity be done, and yet these complacent souls be in total ignorance of all these terrifying convulsions.

Three times in the last two years exactly this has happened. Three regions successively have been torn with war as undisguised as the war in the Balkans and still more ferocious and cruel. Yet comparatively few persons have known of these facts, the peace societies have never said a word about them, the Carnegie organization

has never protested, the pulpit has never complained, the editorial writers have never objected.

An enlightened public opinion is supposed to be the basis of our government and the safeguard of the citizen's rights.

How can we have an enlightened public opinion when the public is not allowed to know what is going on in this country?

Suppose we have a condition in which a large part of the community is deprived of all the protection of the Constitution and of the laws and of the courts of justice, and still the public at large has no knowledge of this usurpation and can have none. What would you expect to happen under such circumstances?

Suppose that in a New England town of 1,000 inhabitants all the merchants, professional men, bankers and editors were seized by armed and unauthorized bands, thrust into jail without warrant, guns held at their heads, their families dispossessed, their right to a trial and a writ of habeas corpus denied, every protection abolished, and yet the press of the country were to be silenced about such things and the courts to refuse to interfere, what do you think would be the attitude of American citizens subjected to such treatment?

And yet it is the simple truth that exactly such things can happen and do happen, not to merchants and professional men but to workingmen that have incurred the ill-will of powerful interests. Such things can happen and do happen and either the press will not report them at all or it will give of them distorted and perverted accounts creating the impression that the victims of these outrages were themselves the law-breakers.

No doubt, to any American that has not been familiar with the actual conditions in his country these remarks will seem extravagant and unfounded. It is natural that we should take for granted the supremacy of law and order, particularly when daily we hear it asserted and have no reason to question it. I will, therefore, cite three instances from the records, and with them illuminate the situation of labor as it really is in America under the secret rule of accumulated wealth, the greatest power in the world.

In the latter part of 1912 the coal miners of the Paint and Cabin Creek regions in West Virginia went on strike against the impositions that they asserted were practiced upon them by their employers.

The mining companies were rich and very

powerful; they belonged to one of the two groups of capitalists that exercise irresistible influence over government.

The companies filled the region with armed guards, being gunmen and gangsters imported chiefly from the East Side of New York and known to be utterly reckless of human life. These attempted to overawe the strikers and break the strike. Battles were fought between the gunmen and the miners, and the entire region was for weeks in a state of utter chaos. When it was apparent that the gunmen were ineffective in bringing the strike to an end, the coal companies induced the governor to call out the militia. The officers of the militia proclaimed martial law, abolished the constitutions of the state and of the United States, arrested men without warrant, condemned them at farcical sessions of a drumhead court martial, and locked them up in the penitentiary on long sentences on trivial accusations. Among them were men seized outside the region where martial law had been declared and charged with offenses over which no court martial could possibly have any jurisdiction.

All these facts were subsequently established by an investigation of a committee of the United States Senate. Yet of these most ex-

traordinary events, of the war that went on, the bloody and revolting scenes, the trip, for example, of an armored car loaded with a Gatling gun and rifle marksmen, that shot up a sleeping village, the public at large remained in ignorance. If Huerta had manned an armored car somewhere in Mexico and had descended upon unarmed women and children, shooting and murdering, all the land would have known it and a cry of horror would have gone up.

It appears to be perfectly true that these things can happen in the United States and nobody know of them but the perpetrators and the survivors.

We should note, too, that in each of these three instances the circumstances were the same.

That is to say, workingmen had gone on a strike against unjust conditions and petty extortions practiced by their employers. The employers were members of one or the other of the two great, powerful Groups of capitalists that together control more than one-third of the total wealth of the United States. These two Groups also own or control or can muzzle most of the newspapers and news gathering agencies of the country.

That seems to be the reason why civil war can rage in the United States, armored trains can shoot up sleeping villages, battles can be fought and the Constitution abolished and the mass of the public know nothing about such alarming facts.

To say this is easy enough. Very likely you have heard before this the assertion that the press is kept and the working class can expect from it nothing but misrepresentation and perversion of facts in the interest of the employers. If you are unfamiliar with the truth of the matter you may have thought these statements exaggerated. I will now put before you the record that you may see how little of exaggeration there is in what I have said and how little chance for justice the workers have when they venture into a contest with the tremendous and wide-spread power that is now exercised by these Groups.

Some of the richest copper deposits in the world are in the Upper Peninsula of Michigan, most of them purporting to be owned or controlled by a great corporation called the Calumet and Hecla. This is a mining company that is also the holding concern for seventeen other mining companies, owns a railroad or two, some smelting works, some other profit-making de-

vices and an organized system of politics the equal of any.

It is one of the richest and most profitable enterprises in the world. Except for a few railroads like those of Mr. Hill, the Calumet and Hecla has made more money on a smaller investment than any other corporation that ever existed. In the sixteen years ending with 1912 the smallest annual dividend has been 80 per cent., and in other years it has been as much as 400 per cent. Here is the record:

ANNUAL DIVIDENDS PAID ON CALUMET AND HECLA
STOCK

Year.	Per cent.	Year.	Per cent.
1897	160	1905	200
1898	200	1906	280
1899	400	1908	80
1900	280	1909	108
1901	180	1910	116
1902	100	1911	96
1903	140	1912	168
1904	160		

As these dividends were declared upon a capital stock less than half of which was ever paid for, a nominal dividend of 400 per cent. was an actual dividend of 800 per cent.

On every dollar ever invested in this company more than one hundred dollars have been paid in dividends, while millions of dollars of other

profits have been diverted to the purchase of additional profit-making ventures. With a par value of \$25, on which only \$12 was paid in, the shares have now a value of \$540 each.

Besides the staggering dividends the following annual salaries are paid to the fortunate gentlemen that chiefly possess this unexampled private mint:

Quincy A. Shaw, president	\$100,000
Rodolphe L. Agassiz, vice-president	50,000
James MacNaughton, 2d vice-president .	25,000
James MacNaughton, general manager .	40,000
James MacNaughton, director	20,000
Quincy A. Shaw, director	20,000
Francis Lee Higginson, director	20,000
Walter Hunnewell, director	20,000
Rodolphe L. Agassiz, director	20,000
George A. Flagg, sec'y and treasurer .	20,000
E. B. Leavitt, consulting engineer	25,000
W. C. Smith, ass't sec'y and treasurer ..	10,000

Mr. Shaw therefore receives \$120,000 a year in salaries, Mr. Agassiz \$70,000, and Mr. MacNaughton \$85,000 — from the Calumet and Hecla. The officers and directors of Calumet and Hecla are usually officers and directors in the seventeen subsidiary companies of which Calumet and Hecla is the holding concern. What emoluments are attached to these positions are not generally known, but Mr. MacNaughton is said to derive \$35,000 a year from

such sources, bringing his salary to \$120,000 — or \$55,000 a year more than the president of the United States receives. Before a committee of the United States House of Representatives Mr. MacNaughton refused to answer any questions as to the amount of his salary, curtly informing the examiner that it was none of the examiner's business. It can only be believed, therefore, that the amounts set down here, which have never been challenged, are correct.

The Calumet and Hecla barony comprises 117 square miles. There is every reason to believe that it occupies and has occupied this land without rightful title, and all the vast wealth it has taken therefrom really belongs to the people of the United States.

There is also good reason to believe that it has consistently violated its charter and is now engaged in doing so every day and every hour of every day: a fact that will not in the least astonish you when you come to learn of some of its other activities, but that adds a rarely piquant taste to the pious exclamations of its attorneys on the subject of law-breaking.

The direct ownership of the Calumet and Hecla is a kind of family heirloom, residing chiefly in the Higginson and Agassiz families

(who are intermarried), the Shaws and the Hunnewells, all being in the very front rank of Boston's social and financial leadership. But a still more interesting fact is the way this ownership is hooked up with the most colossal Interests in the country and Those that Control. As thus:

According to the report of the Pujo Committee, the greatest financial Power in the United States is a group of financiers comprising in New York the Morgan House and its allies; in Boston the firm of Lee, Higginson & Co., the National Shawmut Bank, the Old Colony Trust Company and its allies; and in Chicago the Continental and Commercial Bank and its allies. The testimony of one expert shows that this group already owns and controls more than thirty-seven billion dollars of the total national wealth of one hundred and twelve billions, and whoever wishes to see the astounding ramifications of its Power has but to turn to No. 3 among the illuminating charts prepared by the committee.

Interlocking directorates and other connections weld Calumet and Hecla to this gigantic force.

Through the Higginsons it is hitched to Lee, Higginson & Co., the Boston & Lowell Railroad

(New Haven-Morgan), Merchants' National Bank, and others.

Through Walter Hunnewell to the Old Colony Trust Company, the Webster and Atlas National Bank, the Massachusetts Electric Companies, and others.

Through Rodolphe L. Agassiz to the State Street Trust, American Trust, United Zinc and Chemical and New England Exploration Companies, Walter Baker & Co., and others.

Through Mr. Shaw with various manufacturing, mining and financial interests.

Through Lee, Higginson & Co. the wire runs to the General Electric, United States Steel, the Traction Trust, the Pennsylvania, Southern and many other powerful railroads and to the house of J. P. Morgan & Co., center of all these vast enterprises and of the Interests that Control.

These Interests long ago declared war on the Labor Union.

In most of the great industries they control, United States Steel, International Harvester, Pullman Company, and many others, the unions have been driven out by bitter warfare. In others, like the Colorado Fuel & Iron, the Pennsylvania Railroad and the like, incessant attacks are made on labor organizations. By

this power in the last two years the unions have been crushed in the shops of the Union and Southern Pacific and the Illinois Central. The elder Morgan himself gave the keynote to the long, ruthless, relentless campaign, and his associates in the Group have one and all been imbued with the feeling of the feud.

Now kindly note:

In the Copper Barony of the Upper Peninsula copper is everything; there are almost no other products. The whole region lives upon copper and Calumet and Hecla absolutely dominates the copper business. Well, what would you expect? The copper companies became in time the supreme authority. They owned or controlled the press and the politicians, dominated the parties and filled every public office with men of their choosing. They ruled all the banks, and the banks, in turn, with unquestioned sway, ruled the tradesmen. They controlled the churches and spoke through priests and preachers. They controlled the legal profession because they held all the avenues to professional success or political distinction. Geographically the region was in the United States; otherwise it was an independent satrapy. Whatever the copper companies wanted, that was the real law of the district. Upon

the affairs of all Michigan the Copper hand was laid. Constitutions of the nation and the state were but nominal things in the Copper Country, which, remote, isolated and unobserved, was governed by the companies much as Napoleon governed Elba.

The miners whose toil produced the enormous dividends, fat salaries and colossal Power of the Calumet and Hecla were ill-paid and ill-treated, often badly housed in the company's dwellings, subjected to long hours and dangerous conditions of labor. For years they had been unorganized. In 1911 they joined the Western Federation of Labor, and on July 23, 1913, after vainly attempting to induce the companies to consider their grievances, they struck for better working conditions.

The men behind the Controlling Interests hated all labor unions, but most they hated the Western Federation of Miners. Old, bitter conflicts in Colorado and elsewhere, stained with blood and a civil war, burned still in their minds. They had tried to crush the Federation and had failed. Any kind of a labor organization was repugnant because it would threaten the peaceful autocracy of the Barony, but of all organizations the Western Federation was the worst.

This is the heart of the whole trouble at

Calumet. The mine managers have since admitted that they would have granted, in whole or in part, other demands of their employees, but they were determined not to tolerate the union.

Here was a pitched battle between Organized Labor and the Controlling Interests.

Great strikes are decided by public opinion; public opinion is determined by press dispatches; public opinion is always against strikers that are believed to be disorderly, violent and lawless.

The surest way for employers to win a strike is to cause public opinion to believe that strikers are disorderly, violent and lawless.

Most of the accounts of any strike outside your own city are conveyed to you through an institution called the Associated Press.

About 900 daily newspapers in the United States, comprising the great majority of the journals of influence and circulation, receive and print the news dispatches of the Associated Press.

This means that concerning any event of importance an identical dispatch is printed about 15,000,000 times and may be read by 30,000,000 persons.

According to the construction and wording

of that dispatch so will be the impression these 30,000,000 persons will receive and the opinion they will form and pass along to others.

Here is the most tremendous engine for Power that ever existed in this world. If you can conceive all the Power ever wielded by the great autocrats of history, by the Alexanders, Cæsars, Tamburlaines, Kubla Khans and Napoleons, to be massed together into one vast unit of Power, even this would be less than the Power now wielded by the Associated Press.

Because thought is the ultimate force in the world, and here you have an engine that causes 30,000,000 minds to have the same thought at the same moment, and nothing on earth can equal the force thus generated.

Well-informed men know that the great Controlling Interests have secured most of the other sources and engines of Power. They own or control most of the newspapers, most of the magazines, most of the pulpits, all of the politicians and most of the public men.

We are asked to believe that they do not own or control the Associated Press, by far the most desirable and potent of these engines. We are asked to believe that the character and wording of the dispatches upon which depends so much public opinion is never influenced in behalf of

the Controlling Interests. We are asked to believe that Interests that have absorbed all other such agencies for their benefit have overlooked this, the most useful and valuable of all. We are even asked to believe that, although the Associated Press is a mutual concern, owned by the newspapers, and although these newspapers that own it are in turn owned by the Controlling Interests, the Controlling Interests do not own, control or influence the Associated Press, which goes its immaculate way, furnishing impartial and unbiased news to the partial and biased journals that own it.

That is to say that when you buy a house you do not buy its foundations.

You may like to bear these matters in mind as you peruse the following dispatches of the Associated Press concerning the strike at Calumet and compare them with the facts developed by investigation and in most cases substantiated by a mass of affidavits.

THE ASSOCIATED PRESS.*

CALUMET, Mich., July 24.
—Disregarding orders of the Western Federation of Miners against violence, many of the 15,000 striking miners of the copper belt to-day created enough disturbances to result in

THE FACTS.

There had been no violence and no disturbance that in any degree justified the calling out of troops. At this time the strike was barely twenty-four hours old, and there had been no attempt to

* As printed in the *Washington Post*.

the ordering out of troops. By to-morrow night there will be nearly 2,400 state soldiers, including cavalry and artillery, in the mining district of the Upper Peninsula.

operate any mine; consequently nothing had happened of the nature that usually provokes violence at strikes. As a matter of fact, before the strike began the militia had been arranged for and was called out for the purposes of the copper companies.

This is the first great strike in years to which soldiers have been called on the first day and before any need had been shown for their presence. The fact that they were so quickly mobilized in this instance is conclusive evidence that their coming was pre-arranged; it is even said that special trains for their conveyance were made ready by the railroad companies before the men had left the mines.

No evidence existed that the sheriff was unable to control the situation with the means ordinarily at his command. A vast number of independent witnesses have sworn that the miners were perfectly quiet. Most of the strikers were Finns, who are known to be among the most peaceable and orderly of all peoples. Yet within twenty-four hours the region was overrun with soldiers and great guns had been planted commanding villages as placid as any in a valley of New England. The indecent haste of the governor thus caused the miners

to believe that the state was in league with and the tool of the copper companies. But the news that the troops had been summoned, as conveyed in the dispatch quoted above, impressed the whole country with the idea at the very outset of the story that violence was rife and the miners were dangerous characters.

When the mine managers contemptuously refused to make any answer to the miners' complaints they knew well enough that they were insuring a strike and began to prepare for it. They arranged in advance for detachments of so-called armed guards supplied by so-called detective agencies, the guards being in fact chiefly gunmen and gangsters from the slums of great cities. About 1,200 of these were brought to the district and in utter defiance of the law of the state were sworn in as deputy sheriffs. From recruits in the neighborhood about 400 were added. All were armed with rifles, revolvers and clubs.

There were now in the district 4,000 heavily armed men, supplied with artillery, to watch 13,000 men that had no weapons.

Many of the armed guards have since sworn that when it was found that the strikers were absolutely peaceable and quiet instructions were given to the guards to "start something."

They were told to break up processions, to keep strikers from using the highways and to shoot any person that spoke to them; all this with the manifest purpose of provoking disorder. Many times they were assured that they were expected to use the rifles that had been given to them, and if any trouble followed from such use the sheriff would protect them.

THE ASSOCIATED PRESS.*

CALUMET, Mich., July 29.—No organized disorder took place to-day, but there were several complaints from non-union men that threats had been made against them, and at least two members of the local militia company were warned that reprisals would follow a continuance of their military activities. One received an anonymous letter, and the widowed mother of the other was called upon by several men, who told her that she might expect trouble for her son unless he deserted his company.

THE ASSOCIATED PRESS.†

CALUMET, Mich., Aug. 14.—One striking copper miner was killed and two deputy sheriffs were wounded to-night in the

THE FACTS.

This despatch bears its own comment. The affidavits show that far worse threats were made to men to induce them to go back to work, but the Associated Press never reported any of these.

THE AFFIDAVITS.

These three despatches refer to the same incident, although the casual reader would never suspect this identity.

* As printed in the *Washington Post*.

† As printed in the *Chicago Record-Herald*.

first fatal outbreak of the strike.

The fight took place at Seeberville, and the miner was killed while resisting arrest. When the deputies went to Seeberville to get two strikers who had forced the line of guards at the Champion mine of the Copper Range Consolidated Company, strikers gathered and attacked the officers with revolvers and bottles.

CALUMET, Mich.,
August 15, 1913.

*To the Associated Press,
Chicago, Ill.**

Following last night's clash between strikers and deputies at the Champion mine, in which one striker was shot dead, three others seriously injured and one deputy hurt, the guards about all the mining properties in the copper miners' strike zone have been drawn tighter. Although the strikers have increased the number of their pickets, no trouble has occurred in any other part of the district as a result of the Champion mine fight.

CALUMET, Mich.,
August 15, 1913.

*To the Associated Press,
Chicago, Ill.**

The death list as the result of the battle between

At Seeberville, a mining village adjoining the railroad station of Painesville, John Putrich kept a boarding house, in which dwelt sixteen miners. Seeberville is on a main traveled road that makes a long détour from the railroad station. Many years ago the people of Seeberville made a path about 300 feet long by the side of the railroad track from the station to the main road, and thus cut off about one-half mile of the road's détour. They universally used this path to and from the station.

On August 14 two of the boarders at Putrich's house went to a neighboring town to visit friends, and returned by railroad train, alighting at the Painesdale station at about 5:30 p. m. They started to walk down the path they had always used. An armed guard yelled at them to keep off that path. They had always used it, and knew no reason why they should not continue to do so, and therefore they pursued their way to Putrich's house. While they waited for supper they were engaged in playing in Putrich's yard at the side of the house a game resembling tenpins. Of a sudden they heard men calling to them, and looked up to find

* Despatches from the Associated Press correspondent.

strikers and deputy sheriffs at the Champion mine at Painesdale last night was increased to two by the death at noon to-day of Stephen Putrich, who was shot through the abdomen. Three independent investigations of the shooting were established this morning by Judge Murphy, representing Governor Ferris, Prosecuting Attorney Lucas and Sheriff Cruse.

on the other side of the fence seven armed men with revolvers drawn.

The terrified boarders fled into the house. The weather was warm and the doors and windows were open. Without explanation and without summons the seven armed men surrounded the house, and began to fire into the open doors and windows, killing one man instantly, fatally wounding another and severely wounding two others.

How valuable were the "three independent investigations" may be gathered from the fact that on January 7, 1914, Sheriff Cruse admitted that four of the men that had committed these murders were still on guard as "deputy sheriffs," carrying the weapons and the authority of the state of Michigan. But later, when general attention had been called to this sinister fact, the men were tried and sentenced to prison terms for this deed, though the Associated Press had reported that "the miner was killed while resisting arrest."

THE ASSOCIATED PRESS.*

CALUMET, Mich., Sept. 1.—The copper strike situation took a serious aspect to-day as a result of the fatal shooting of Mar-

THE FACTS.

Her name was Margaret Fazekes. She was not the daughter of a striker, and had no connection with the strike. There was no clash

* From the *Washington Post*.

garet Fazakas, aged 15, daughter of a striker at the North Kearsarge mine, when a picket of strikers and women clashed with deputy sheriffs guarding a mine.

with any picket. A Labor Day procession was being held at Kearsarge. It had nothing to do with the strike. A band of armed guards without excuse or occasion attacked the procession and broke it up, firing about 100 shots. This girl was not in the procession. She was walking along the sidewalk, and a bullet from a gunman's revolver pierced her skull.

THE ASSOCIATED PRESS.†
CALUMET,

September 15, 1913.

*To the Associated Press,
Chicago, Ill.*

The flag incident of Saturday morning, in which a flag in the hands of a striker was trampled and torn after a parade of strikers had been stopped by the troops, was investigated by a military board of inquiry. Testimony of strikers and soldiers was so conflicting that the board was unable to place any blame.

THE AFFIDAVITS.

The strikers were accustomed to march in little processions from one village to another for the purpose of visiting and encouraging their striking fellows. One of the favorite means by which the armed guards sought to "start something" was to attack and disperse these processions on the public highway. At the head of each procession always went a man or a woman carrying the United States flag. On this occasion a captain of militia undertook to wrench the flag from the hands of the man that carried it. Meeting with resistance the captain drew his sabre, and after cutting the hands of the bearer slashed the flag from the staff and threw it into the mud, where militiamen of the State of Michigan trampled upon it.

† Despatches from the Associated Press correspondent.

On more than one occasion the bearer and defender of the American flag was Anna Clemenc, the remarkable young woman who was long the inspiration of the strikers. Her activities and influence were so great that she seems to have been an object of especial hatred to the armed guards. She was arrested so many times that the police court lost track of the count and when she asked derisively, "Well, which charge is it now?" the chop-fallen clerk could not tell her. Many times she has been dragged through the streets and thrust into a jail cell, beaten, ridden down with the horses of the gunmen and trampled upon, but every morning found her early abroad upon her regular employment, which was to talk to the miners and encourage them to keep their lines unbroken. She was accustomed to incessant insult from the gunmen and the uniformed soldiers of the state of Michigan, but once when a member of the militia proceeded to an unmentionable liberty she suddenly wrenched his rifle from his hands and beat him over the head with it — an act promptly recorded as an outbreak of violence on the part of the strikers.

The attacks made upon her never seemed to daunt her spirit, but they broke her physical strength. Early in January she suffered a

nervous collapse, and for some weeks she lay in her mother's house, unconscious part of the time and part of the time shaken with nervous convulsions.

THE ASSOCIATED PRESS.

CALUMET,

October, 20, 1913.

*To the Associated Press,
Chicago, Ill.*

The stable at Centennial Heights used by the mine guards employed by the Centennial Mining Company burned to-night, and the authorities believe the blaze was of incendiary origin. A large number of strikers gathered at the scene and hooted the fire fighters.

THE ASSOCIATED PRESS.

CALUMET, Mich.

October 22, 1913.

*To the Associated Press,
Chicago, Ill.*

"... As a measure of precaution against possible disorder, the troops have kept on the move bodies of strikers who collect while men are going to work in the morning, but this is not construed as interference with any of the rights of the strikers."

THE AFFIDAVITS.

The fire was started from the cigarette of a drunken guard. Most of the guards were drunk most of the time. Some persons of the neighborhood gathered and tried to help to extinguish the fire, and were driven off by drunken guards. Nobody jeered the fire fighters.

THE AFFIDAVITS.

For instance, Victor Ozonick swears that on July 31 he was walking quietly along the public road when he was arrested, taken to Houghton and thrust into jail. After a time he was taken into the sheriff's office and searched. A deputy sheriff struck him in the face with his clenched fist and then kicked him. He was then asked if he was a member of the miners' union. When he said "Yes," he was dragged back to a cell and locked up for twenty-four hours. After that he was

released. No warrant was issued for his arrest, no charge was made against him, no proceedings of any kind were had.

There are sheafs of such affidavits, relating the manner in which the armed guards proceeded to obey the orders to "start something." The result of their efforts to obey their orders was a reign of terror throughout the strike zone. Men, women and children were shot at, beaten, ridden down by armed guards, or pursued along the highways. At the road intersections shacks were erected from the windows of which the guards could command every house in a village and the inmates could not stir out of their dwellings except under the watchful eyes of the gunmen and the muzzles of rifles.

Often the miners were foreigners. The manifest intention was to frighten them with a show of authority.

THE ASSOCIATED PRESS

CALUMET,

October 23, 1913.

*To the Associated Press,
Chicago, Ill.*

An exciting scene was enacted at the Court of Justice Jacola in Calumet this afternoon, when thirteen strikers arrested as a result of disturb-

BUT INVESTIGATION
SHOWED —

The arrested men were not being taken into court; they were already there. Some strikers and villagers desired to attend the proceedings, and attempted to enter the court room. They were orderly. Gunmen stood massed at the door, and with their clubs drove

ances this morning were being taken into court for their preliminary hearing on various charges. Strikers in the hallway attacked the deputies and attempted to block the passageway. The officers were compelled to draw clubs and beat their way through. Many strikers had to be clubbed before access could be gained to the court.

THE ASSOCIATED PRESS.

October 24, 1913.

General Abbey, in command of the troops, is of the opinion that yesterday's wave of lawlessness was the outcome of the slowness of the mining companies in taking advantage of the injunction and the small number of successful prosecutions of strike cases.

THE ASSOCIATED PRESS.

November 30.

The introduction of eight-hour day in all the mines on Monday leaves recognition about the only demand not met by the operators.

the strikers back, throwing some of them over the railing of the stairs. The head of one striker was laid open with the club of a gunman. There was no attack upon the deputies.

WHAT INVESTIGATION
SHOWED.

The wave of lawlessness was as follows:

A train on the Chicago & Northwestern Railroad arrived at Hancock on its way to Calumet. A number of persons attempted to board it at the station, when they were pushed from the car platforms by armed men. This appraised the crowd that the train was loaded with strike breakers proceeding (in violation of the laws of the United States) under armed guard. The crowd began to throw stones at the train, and broke all the windows on one side of one car before the train pulled out.

THE FACTS.

Strictly speaking, no important demand of the miners had been met by the operators.

The miners asked for an eight-hour day, a minimum wage for workers below the surface of \$3 a day, an advance of 35 cents a day for workers above the surface, the concession that two men might be employed upon a drill and that there might be recognition of the union.

Their work day had been of ten and eleven hours, for an average daily wage of \$2.35 for men under the surface, who were also exposed to the grave dangers that resulted from the rule that but one man should be employed on a drill.

The concessions now made were a nine-hour day, or its equivalent, and some increase of pay for the men under the surface, but nothing for the surface workers. But even these concessions were limited to men that would abjure the union and surrender their cards therein.

As soon as the limelight of public attention was turned upon this strike by outside investigation the company could hardly do anything else but make concessions. A comparison, for instance, between the huge profits of this over-swollen concern and the earnings of its workmen would look exceedingly ill in the public prints. Also a comparison between the elegant houses in Brookline and Commonwealth Avenue and the miserable shacks that are provided by this com-

pany for the inhabitation of its workers; also between the emoluments of the directors, whose sole toil consists of declaring the 400 per cent. dividends, and the incomes of the men that at the risk of their lives produce these charming aggregations of wealth. But so long as concessions, whether real or imaginary, were coupled with the condition that the men must give up their union, which was their only possible protection against the greed and rapacity of their employers, the talk of compromise was perfectly idle. It was not alone for a few cents a day the men struck, but that they might feel that something stood between them and the tremendous power holding their living in its hands.

Possibly, also, an additional reason why the Calumet and Hecla was shy about publicity was that it did not care to have too much attention paid to this matter of the title to its domain.

Whenever this point is raised, as it was by Secretary of Labor Wilson in his speech at Seattle, it is bluffed off by reference to a case once decided by the Supreme Court of Michigan, in which the validity of the company's title was upheld. But this decision covered another matter and on the real point at issue no court has ever ruled. For the fact is that the origi-

nal grant, made to a canal company, contained a provision that if mineral should be discovered the land should revert to the government, and as many millions of dollars worth of mineral has since been discovered there and utilized for the making of Back Bay fortunes the question is whether those fortunes do not really belong to the people of the United States and not to the gracious precincts of the Back Bay.

At all events a Commissioner of the Federal Land Office has held that the land now claimed by the Calumet and Hecla really belongs to the government, and on exactly the same grounds the government is now engaged in recovering oil lands grabbed off by the Southern Pacific.

THE ASSOCIATED PRESS.

CALUMET, Mich., Dec. 11. — Guerilla warfare, which raged in the South Range district of the copper miners' strike zone, was ended to-day, when a force of deputy sheriffs invaded several towns there and made 39 arrests. The only person injured was Timothy Driscoll, a deputy sheriff, who was shot and seriously wounded when he and other officers attempted to force an entrance into a union hall.

The trouble this morning centered around the hall of the Western Feder-

THE AFFIDAVITS.

A mob composed chiefly of the gentlemen of the Citizens' Alliance gathered in Houghton, and went by special train to South Range. There the mob attacked the hall of the South Range branch of the Western Federation of Miners, broke down the door, smashed all the furniture, seized all the books, papers and records, and destroyed several thousand relief coupons that had been prepared for the miners' families. Henry Koski, the secretary of the branch, lived over the hall. When

ation of Miners in the town of South Range. Here Driscoll was shot and several of the arrests were made. Henry Oski, a striker, was specifically charged with wounding the officer, and he is said to have implicated by a confession two other members of the union.

the work of destruction below had been completed the mob rushed upstairs and began with rifles to beat down the door to Koski's rooms. He warned the rioters that if they did not desist he would fire. They continued to batter the door, whereupon he fired two shots, one of which passed through the belly of one of the rioters.

As I have said, the principal occupation of the armed guards was to pursue, pester, and terrify the miners that ventured upon the highway. On December 10th, Emil Jirakoski and Leonard Arvola, miners, of the village of Trimountain, started along the road to South Range, where they intended to make some purchases at a store. A body of guards saw them and gave chase, shouting threats to kill them. Badly terrified, they ran for protection to the hall of the union. They found it locked and unoccupied. Then they dashed upstairs to the rooms of Secretary Koski and begged him for protection.

They were in hiding in his house until the next morning and were witnesses of the chapter of truly guerilla warfare that ensued.

The Citizens' Alliance held a meeting at Houghton that night and it appears that at

the close a cry was raised that those present should go to South Range, eight miles away, and break up the nest of strikers there. The thing must have been all pre-arranged, for the railroad company (controlled by the Calumet and Hecla) had two special trains ready at the station. The rioters, armed with rifles, it is said, from the neighboring state armory, boarded these trains and went to South Range, arriving a half hour after midnight.

The hall of the union was the ground floor of a small building on a street corner. No one was in it. The rioters beat down the door with the butt ends of their rifles. After they had wrecked the place, as above described, some of the guards must have directed attention to the secretary upstairs, who, that morning, had sheltered the two fugitives, for the mob immediately tramped upstairs and began to batter at Koski's door.

From the other side he explained that his wife and his baby were very sick and he was caring for them, but if his visitors would return at 7 o'clock in the morning he would admit them or go with them, as they might prefer. Meantime, he courteously begged them to go away.

They went down stairs and, presently re-

turning in greater numbers, renewed their assault upon the door, which they were battering to pieces when Koski once more raised his voice to warn them that they were trespassers and if they persisted in their attack he would fire.

They paid no heed to this warning and he fired, wounding Driscoll, one of the armed guards.

The mob retreated to the street, whence it emptied its rifles into the house where two persons lay ill, so that the inmates were obliged to crouch upon the floor to escape the bullets.

At 7 o'clock that morning Koski and the two men he had sheltered were arrested and taken to Houghton, where they were thrust into jail.

Subsequently Koski was held in \$10,000 bail on the charge of assault with intent to commit murder in the first degree, and the other two, if you will believe me, were held in \$1,000 each on the charge of "inciting to riot."

There was no confession by anybody and no chance of a confession.

THE ASSOCIATED PRESS.

CALUMET, Mich., Dec. 26.
— Charles H. Moyer, president of the Western Federation of Miners, was put on a train and sent out of the copper strike district to-night. The deportation

THE FACTS.

A mob broke into the room in Scott's Hotel, Hancock, occupied by Mr. Moyer and Charles Tanner, General Auditor of the Western Federation of Miners, seized them both

was the direct result of a refusal of families stricken by the Christmas Eve disaster here to accept relief from a committee, the majority of whose members belonged to the Citizens' Alliance, an organization combating the five months' strike of the Federation.

At the local federation headquarters Moyer's departure was called a "kidnapping by the Citizens' Alliance." The action was said to have caused no great surprise, as it was said that threats of such a possibility had been received two weeks ago.

The relief committee, which had collected \$25,000, found itself unable to give away one cent when it started to-day to deliver the fund.

Every bereaved household that was approached told the men and women in charge of the distribution that they had been promised adequate aid by the Western Federation of Miners, and nowhere was there any assistance wanted.

beat and kicked them, shot Moyer in the back and dragged them, both wounded, from the hotel into the street.

The two prisoners were held so that they could not defend nor protect themselves, and in this position were dragged through the streets and across the bridge to Houghton, being incessantly kicked and beaten. Mr. Moyer was bleeding and weak from a revolver shot, and Mr. Tanner was bleeding from a wound just below his right eye.

In this condition they were placed upon a train and under armed guard taken out of the State, being threatened with lynching if they should return.

Nobody has been indicted nor arrested for these assaults, although the persons that committed them are perfectly well known in Hancock.

But Mr. Moyer has been indicted for conspiracy.

At the center of the bridge it was proposed to throw the prisoners into Portage Lake, and Moyer was carried to the side railing for that purpose. But part of the mob insisted that the prisoners should be taken to the railroad

station, reminding the others that "Jim" was to meet them there. This plan prevailed, and the prisoners, still beaten and kicked, were dragged to the station, where a large, athletic, well-dressed man in a powerful automobile awaited them. According to Moyer's story, he descended from his machine, shook his fist in Moyer's face, denounced him, and said:

"If you ever come back to this country, I'll have you lynched!"

When Mr. Moyer was able to make a statement he said that he thought that the "Jim" that supervised this lynching party was Mr. James MacNaughton, vice-president and general manager of the Calumet and Hecla. Mr. MacNaughton is a large, athletic gentleman, drives a powerful automobile and is known to his acquaintances as "Jim." As soon as Mr. Moyer's statement appeared Mr. MacNaughton entered a vigorous denial and the Associated Press reported that Mr. MacNaughton could not possibly have been "Jim," because the train on which Moyer and Tanner were kidnapped left at 9:27 and at 9:45, 18 minutes later, Mr. MacNaughton walked into the Miscowaubic Club at Calumet, nine miles away. On January 8th three reporters in a hired

taxicab covered this distance over roads heavy with snow in 22 minutes.

Mr. MacNaughton left in a few days for Chicago. Reporters discovered that he was at the Blackstone Hotel in that city and gathered to interview him. According to the printed reports, Mr. MacNaughton went to the home of a friend, whence, without returning to the hotel, he telephoned to have his baggage sent to him. When next heard from he was in Boston for his health. I could not discover that before his departure from Calumet his health had seemed visibly precarious. But perhaps he did go to Boston for his health, and, of course, that city is well known for its salubrious and restorative climate, particularly in the winter-time. However this may be, his absence from Calumet was much regretted, especially by the investigators, not all of whom seemed to be perfectly satisfied with the story of his movements of the night of the riot.

THE ASSOCIATED PRESS.*

CALUMET, Mich.,
December 30, 1913.

Two out of a score or more of witnesses testified before a coroner's jury today that the man who caused the Christmas Eve

THE FACTS.

The inquest was conducted by the Public Prosecutor, who holds his place at the will of the Calumet and Hecla. I have examined the affidavits of six persons supporting in de-

* From the *Washington Post*.

disaster here wore a white button like the badge of the Citizens' Alliance. The president and half a dozen members of the women's auxiliary of the federation swore that they saw no insignia on the man, and union members who stood in the vestibule of Italian Hall for one hour before the panic started said the alarm came from within the hall, and that no person wearing such a button had passed them.

John Burcar, who gave his age as 15 and said he had lost a sister in the disaster, excitedly told of seeing a man muffled to his eyes in a fur-collared overcoat enter the hall. "He hollered 'Fire!' and then ran out," said the boy. "I ran out, too. He had an Alliance button on his coat."

tail the story of the two witnesses contemptuously referred to above. These and others were ready to testify, but were not called. Judge Hilton, counsel for the Federation of Miners, was present, but was not allowed to put any questions. The inquest was rather a farce. The coroner's jury stood 3 to 3 about a verdict explicitly whitewashing the Alliance. Some wanted a verdict declaring that somebody went into the hall and shouted "Fire" but whether he wore a Citizens' Alliance button could not be ascertained.

The fact is that Calumet was overrun at the time with ruffians, thugs, gunmen and gangsters, brought to the region to overawe the strikers and "start something." Although the law of the state of Michigan explicitly forbids such employment, these men were sworn in as deputy sheriffs and were nominally in the service of the county. All of these ruffians wore the badge of the Citizens' Alliance. The affidavits show that they were habitually or

continuously intoxicated. A chief part of their business was to annoy and pursue strikers in the streets and highways. There is indubitable testimony that some of these men were in and about the hall that afternoon. Since no sane and sober person could possibly have believed a fire to exist in that hall, the only plausible theory of the disaster is that one of these drunken ruffians thought it would be fun and in the line of his usual vocation to break up this meeting of the hated strikers by shouting "Fire!"

This was the idea that so bitterly incensed the strikers. The Citizens' Alliance upheld the presence of the ruffians; they wore its badge and operated with its approval.

But Public Opinion decides great strikes and how far Public Opinion may have been influenced by the remarkable collection of erroneous dispatches exhibited in the foregoing pages every reader can determine for himself.

CHAPTER III

CIVIL WAR IN COLORADO

THAT was in Michigan, where workingmen came into conflict with one of the two great Groups that exercise over our public affairs so vast and insidious an influence. It shows what power can be swayed by the Morgan Group whenever it is deemed necessary to defeat a strike or overwhelm organized labor.

Observe next what happened in Colorado, where workingmen came similarly into conflict with the other Group, the great Oil Group.

This chapter ought to be of unusual interest to you, for it not only reveals the enormous resources, strength, arrogance and lawlessness of the Controlling Interests but shows how much labor can expect from the most advantageous laws in its favor so long as the enforcement of those laws is in the hands of its enemies.

In Colorado the labor element is strong, and the politicians, always playing the game, have been willing to fool labor into supporting one

capitalistic party or the other by passing broad laws ostensibly in labor's interest.

Thus in Colorado sappy reformers said that labor had no need to strike for the better conditions demanded in other states, because in Colorado these things had been made the law of the state and nothing therefore was left to the whim or the selfishness of the employer.

In the course of time there had been enacted laws ostensibly securing to the miners the eight-hour day, semi-monthly pay days, their own check-weighman, the abolition of company stores, and the right to maintain their organizations. These are the things for which workmen strike elsewhere. In Colorado observe, said the reformer, they are already secured.

But the fact was that in the coal mining regions the employers obeyed these laws at their own discretion and used them as a weapon against organized labor. Their position was that if the men desired an eight-hour day or anything else they must first of all abjure their unions.

The law was a dead letter.

On September 23, 1913, the union miners went on strike to secure obedience to the law from the lawbreaking employers.

That was the substance of the issue. The

employers refused to obey the law and as the employers dominated the courts and the government there was no other way to enforce the law, and so the miners went on strike.

As to this we will take some extracts from the sworn testimony before a committee of the National House of Representatives investigating this matter. James Dalrymple, State Inspector of Mines, is on the stand.

Q. How then does it [Colorado] compare with the statistics of the nation? [referring to coal mine accidents].

A. From the time that Colorado started to produce coal until the beginning of 1909 it is nearly two to one; Colorado has killed nearly two to the United States's one.

Q. To the balance of the United States?

A. Taking the United States as a whole; and from that time until the beginning of 1913 it will run about three and one-third.

Q. Accidents at mines, how are they handled? who cares for these men? Does the State maintain miners' hospitals, or are these men cared for out of their own funds, or do the companies bear the expense or how?

A. Some of the companies have hospitals, and the man pays so much per month to help keep him at the hospital.

Q. Sort of a relief fund they pay into?

A. Yes, they pay so much a month for a doctor and hospital combined.

Q. Not voluntary?

A. No, if you work for a company you have got to pay the doctor.

Q. Why don't you ask the Legislature of Colorado to make you direct appropriations for yourself and the necessary number of deputies to enforce this new law?

A. I would rather ask the devil for transportation to heaven.

Edwin V. Brake, Deputy State Labor Commissioner, was asked:

Q. Have you any State law as to check weighmen?

A. Yes.

Q. What is it?

A. The old law was that if twenty men would petition they were entitled to a check weighman provided they paid for him themselves.

The witness then read reports that had been made to him by an assistant he had assigned to investigate the numerous complaints that had come to him in anonymous letters of cheating by the companies in weighing coal. Following is an extract from the assistant's report:

"Colorado Fuel and Iron Company's mine at Morley — Has no check weighman. Find the miners complaining of weights. On inspecting two pairs of scales I find that neither will balance and that the scales on the south tippie with 350 pounds increased the weight of a car of coal only 50 pounds. This is very unsatisfactory to the min-

ers, who claimed that if they asked for a check weighman they would be discharged. This is disputed by Mr. Harrington, the company attorney at Denver.

At the C. F. & I. Company mines at Berwind and Tobasco I was positively refused to be allowed to examine the scales and was told that I had nothing to do with them. I found the mine policed by a gunman, ready to run any one out of town that didn't suit him."

After explaining the truck, or company store system, Commissioner Brake said: "We have a great many cases of complaint where they have to pay \$1 a month."

Q. What for?

A. For an employment agent to keep them in a job.

All of which again was in direct violation of the law.

Q. Why have not you as Commissioner of Labor prosecuted these companies for their violation of the law?

A. Well, most of these violations occur in Las Animas and Huerfano Counties. You, being a stranger here (the committee was sitting in Denver), it is permissible for you to ask that question, but anybody that lives here knows that you cannot prosecute anybody in that country.

The witness added: "The deputy factory inspectors are specifically charged with the en-

forcement of the child labor law in this State and we have a great many violations down there, and we tried to get some prosecutions on that, but we could not."

On the subject of wages the witness said: "The average gross earnings per day for the 312 days in the year would be \$2.24. Then there are some fixed charges."

Q. You stated a while ago that the State's attorneys met about a year ago and decided to prosecute for infractions of the law in the State of Colorado. Is that a new thing in the State of Colorado?

A. Well, yes, I should think so. I for four years couldn't get a prosecution in this county.

These brief extracts are printed here as no more than samples and to indicate how just and well founded are the pratings of the men and the newspapers that condemn the Colorado miners as violators of law and order. As a matter of fact the mine owners had abolished all law long before the strike began and had set up a government of their own. The miners instead of being the enemies of law and order were their champions. They were endeavoring to have the law of the state respected and to cause the anarchist mine owners to respect the Constitution of the state and of the United

States. That is perfectly plain from the above testimony and no fair-minded person can hold any other opinion. The simple fact is that the mining companies were the lawbreakers; the miners were the law-defenders.

The companies brought in thugs and gunmen, most of them experienced and seasoned men that had served in West Virginia and Michigan. The Baldwin-Felz detective agency sent in their most expert man-killers, although Section 3 of the state laws of Colorado on Labor Disputes reads —“Any person or persons who shall hire, aid, abet, or assist in hiring, through agencies or otherwise, persons to guard with arms or deadly weapons of any kind, other person or property in this State, or any person who shall come into this State armed with deadly weapons of any kind for any such purpose, without a permit in writing from the Governor of this State, shall be guilty of a felony.”

The militia of the state was also brought out to overawe the strikers.

As usual in such instances the miners lived in houses owned by the mining companies and as soon as the strike began they were dispossessed. Tents were furnished by the miners' organization and the homeless families were sheltered in

these. As winter came on the sufferings of the tent dwellers were acute.

The principal mining company involved was the Colorado Fuel and Iron Company, a possession of the Oil Group. John D. Rockefeller, Jr., is the active spirit in this company. When he was on the stand before the House Committee this occurred:

The Chairman — Let me tell you this and see what you think about it. In some of the camps out there, it is so testified to — and I think some in which your company is interested — a town is incorporated, and all the property there is owned by your company, with a sign up, "Private Property." These incorporated mining towns elect a mayor, who is usually the mine superintendent or some one connected with the mine. They conduct the business of the town, levying a poll tax of \$1.50 on the miners, and with the saloon licenses are able to conduct the town and pay the expenses. Have you ever looked into that to find out whether or not that is a fact?

Mr. Rockefeller — No; I have no knowledge of that. I should think it would be quite necessary and proper that when a company bought a mine it should buy property in the vicinity of the mine to provide for the workers who must inevitably be there to work the mine. I should think that that was a wise policy, to buy lands in the vicinity —

The Chairman — All around the mine?

Mr. Rockefeller — So as to concentrate conveniently the residences of the employees.

The Chairman — And then these people living in this town — the miners, those who work for the companies — are compelled to rent your property?

Mr. Rockefeller — You say “compelled” —

The Chairman — Yes, “compelled,” if they work for your company.

Mr. Rockefeller — They are not compelled to work for the company.

A committee was appointed by the governor of Colorado to investigate charges made against the conduct of the state militia in the strike, and the committee unanimously agreed that Lieut. E. K. Linderfelt, who was in charge of the militia quartered near Ludlow, was doing all in his power to provoke the strikers to violence. It seemed to the committee that he was especially anxious to get Louis Tikas into trouble. Once he arrested him for some trivial offense and held him without lodging a charge against him. The report reads:

“We have reason to believe that it is his (Linderfelt’s) deliberate purpose to provoke the strikers to bloodshed. Every decent member of the militia who knows Louis Tikas will testify that he is an admirable man for the place he fills; that he is fair, and that he will assist the militia in every proper way in policing the neighborhood, yet it is this man whom Linderfelt tries to provoke in order that some other members of the colony will be aroused out of sympathy, and it is this man whom Linderfelt is reported to have threatened to kill on the slightest provocation.”

It was not long before the majority of the gunmen were wearing militia uniforms. The state ran so far in debt that the militia had to be withdrawn. The ranks of the strikers remained unbroken. Something had to be done to break the strike. Gunmen therefore were organized as militia, in total violation of the law of the state. Troop A was organized by Lieutenant Linderfelt. Ninety per cent. of its members were furnished by the coal company.

Company B was composed of gunmen and mine guards under the command of Major Hamrock. None of the company had a permanent occupation sufficiently important to warrant his return to Denver when the general order for the recall of the militia was issued.

Between the gunmen and the miners incessant war was waged. The miners secured arms and took to the hills, whither they were followed by the gunmen. Not a day passed without at least a skirmish, and often there were long fought battles. One lasted for fourteen hours. How many were killed in these fierce struggles will never be known, but certainly the casualties were not light on either side. All day long one could hear the cracking of the rifles in the hills and see the gunmen deploying as they sought to attack or ambush a party of

miners. It has been asserted, and probably with reason, that more men were killed or wounded in Colorado in these months than fell in battle on the American side in the entire Spanish-American war.

The culmination of many scenes of horror was at Ludlow, one of the tent colonies that had been established when the miners were dispossessed. The place lay in a hollow surrounded with hills. The militia-gunmen were wont to lie in the hills and fire down upon the tents. To get out of range the inmates had dug under the floors of the tents holes and pits into which they crawled when they heard the rifles of the gunmen opening fire.

On this particular day the men of the camp had gone to the hills to fight and scarcely anyone was left about the tents except women and children. What happened next I shall not attempt to tell in my own words but in those of an eye witness in no way connected with either side and therefore impartial and trustworthy.

He is a young electrical engineer named Godfrey Irwin, who happened to be on the spot. This is his testimony:

“On the day of the Ludlow battle a chum and myself left the house of the Rev. J. O. Ferris, the Episcopal minister with whom I boarded in Trini-

dad, for a long tramp through the hills. We walked fourteen miles, intending to take the Colorado & Southern Railroad back to Trinidad from Ludlow station.

"We were going down a trail on the mountain side above the tent city at Ludlow when my chum pulled my sleeve and at the same instant we heard shooting. The militia were coming out of Hastings Canyon and firing as they came. We lay flat behind a rock and after a few minutes I raised my hat aloft on a stick. Instantly bullets came in our direction. One penetrated my hat. The militiamen must have been watching the hillside through glasses and thought my old hat betrayed the whereabouts of a sharpshooter of the miners.

"Then came the killing of Louis Tikas, the Greek leader of the strikers. We saw the militiamen parley outside the tent city and a few minutes later, Tikas came out to meet them. We watched them talking. Suddenly an officer raised his rifle, gripping the barrel, and felled Tikas with the butt.

"Tikas fell face downward. As he lay there we saw the militiamen fall back. Then they aimed their rifles and deliberately fired them into the unconscious man's body. It was the first murder I had ever seen, for it was a murder and nothing less. Then the miners ran about in the tent colony and women and children scuttled for safety in the pits which afterward trapped them.

"We watched from our rock shelter while the militia dragged up their machine guns and poured a murderous fire into the arroya from a height by Water Tank Hill above the Ludlow depot. Then came the firing of the tents.

"I am positive that by no possible chance could they have been set ablaze accidentally. The

militiamen were thick about the northwest corner of the colony where the fire started and we could see distinctly from our lofty observation place what looked like a blazing torch waved in the midst of militia a few seconds before the general conflagration swept through the place. What followed everybody knows.

"Sickened by what we had seen we took a freight back into Trinidad. The town buzzed with indignation. To explain in large part the sympathies of even the best people in the section with the miners, it must be said that there is good evidence that many of the so-called 'militiamen' are only gunmen and thugs wearing the uniform to give them a show of authority. They are the toughest lot I ever saw.

"No one can legally enlist in the Colorado State militia till he has been a year in the state, and many of the 'militiamen' admitted to me they had been drafted in by a Denver detective agency. Lieut. Linderfelt boasted that he was 'going to lick the miners or wipe them off the earth.' In Trinidad the miners never gave any trouble. It was not till the militia came into town that the trouble began."

To this I add the following illuminating extract from the report of the Military Probe Committee:

"We find that the tents were not all of them destroyed by accidental fire. Men and soldiers swarmed into the colony and deliberately assisted the conflagration of spreading the fire from tent to tent.

"Beyond a doubt, it was seen to intentionally

that the fire should destroy the whole of the colony. This, too, was accompanied by the usual loot.

"Men and soldiers seized and took from the tents whatever appealed to their fancy of the moment. In this way, clothes, bedding, articles of jewelry, bicycles, tools and utensils were taken from the tents and conveyed away.

"So deliberate was this burning and looting that we find that cans of oil found in the tents were poured upon them and the tents lit with matches."

And then this comment by the *Rocky Mountain News* of Denver, the only newspaper that printed any adequate account of these events and sued afterward for \$500,000 libel by the Colorado Fuel and Iron Company:

"The horror of the shambles at Ludlow is overwhelming. Not since the days when pitiless red men wreaked vengeance upon intruding frontiersmen and upon their women and children has this western country been stained with so foul a deed.

"The details of the massacre are horrible. Mexico offers no barbarity so base as that of the murder of defenceless women and children by the mine guards in soldiers' clothing. Like whitened sepulchres we boast of American civilization with this infamous thing at our very doors. Huerta murdered Madero, but even Huerta did not shoot an innocent little boy seeking water for his mother who lay ill. Villa is a barbarian, but in his maddest excess Villa has not turned machine guns on imprisoned women and children. Where is the outlaw so far beyond the pale of human kind as to

burn the tent over the heads of nursing mothers and helpless little babies?

“Out of this infamy one fact stands clear. Machine guns did the murder. The machine guns were in the hands of mine guards, most of whom were also members of the state militia. It was private war, with the wealth of the richest man in the world behind the mine guards.”

Two women and eleven children were murdered here. Some of the bodies of the little children were found with their hands burned off to the wrists. They had found themselves being suffocated by the smoke of the burning tents and had tried to grope their way out of the holes in which they had sought refuge. One boy was killed while trying to get water for his imprisoned mother.

Subsequently Lieutenant Linderfelt was tried by a court martial for his murder of Louis Tikas, and found guilty of manslaughter.

On June 18 the sentence of the court was pronounced upon him.

It was that in punishment for the deed of which he had been found guilty he should undergo the loss of five numbers in his rank.

That is to say, if he had been No. 25 among the lieutenants he was now to be No. 30.

Not a word of this extraordinary sentence seems to have been sent out by the news

agencies. So far as search has revealed only five or six newspapers in the United States have ever printed it or referred to it. In New York the only publication of the sentence to this day has been in the columns of the *New York Call*, the Socialist daily.

So here are the plain facts about this matter. You pass laws to secure better conditions for labor. The corporations refuse to obey those laws and the officers of the state by their own admission find themselves powerless to enforce the statutes against so great a power.

Workingmen strike to secure the rights guaranteed to them by these broken laws.

The corporations bring in gunmen to shoot down the strikers.

Civil war ensues with scenes of revolting slaughter.

Most newspapers carefully suppress the facts. Those that tell what has happened are sued for libel by the corporations.

Even deeds so horrible as the coldblooded murder of Louis Tikas cannot be punished and the newspapers refuse to print the fact of the farcical result of the trials.

Where, then, do you stand, workingman?

CHAPTER IV

A STARTLING DETONATION IN HIGH QUARTERS ABOUT THE TRUSTS

ON January 16, 1914, President Wilson took his way to the chamber of the national House of Representatives and read there to a joint session of both houses his message on the great and burning Trust question.

For a long time the country had looked forward to this message or some other final word on the subject from the President, and had good reason to expect something very unusual.

Mr. Wilson had made his campaign for the Democratic nomination and again for election largely on the Trust issue. He had said many remarkable things in these campaigns and before them. When he had been a candidate for Governor of New Jersey in 1910 the way he talked about Trusts and the plutocracy drew the attention of the nation. No man had attacked these evils in a braver spirit. Wherever he went he spoke of them with the utmost frankness, declaring that the life of the Republic

was at stake and that it was impossible for democracy to continue to exist in a country where accumulated wealth had attained to such colossal power.

He even hinted at the most drastic means in dealing with this power. In his New Jersey campaign of 1910 one of his favorite passages ran like this:

“When I think of the power wielded by these men and of the manner in which they got their wealth and consequently their influence, I am tempted to take down my old shotgun as the only way to meet the emergency.”

Great enthusiasm invariably followed the delivery of such remarks. Men felt that here was a champion without fear and without selfish ambition, but only desiring to rescue the Republic.

In 1911 and in the early part of 1912 Mr. Wilson left his post as Governor of New Jersey and made prolonged tours throughout the country, earnestly preaching the same doctrine. Everywhere he made a deep impression. The dominance and rapacity of the Trusts was his theme, and the urgent need that their abnormal power should be sharply curbed. In his book, “The New Freedom,” he had elaborated the same thought, and made of it what might be

called an unanswerable demonstration. When people listened to the eloquence with which the author supported on the platform the argument he had made so convincing in his writings, the feeling was general that here was a marvelous new leader, a man of unshakable courage and great wisdom.

For thirty years the growing power of accumulated wealth had worried all patriots. Here was the man that saw how to solve the problem and assuredly would solve it if he had the chance.

This feeling of the people was the thing that put Mr. Wilson over at the national convention of the Democratic party. People at large had confidence in him. It is true that he was supported at Baltimore by all the railroads and the railroad politicians and railroad delegates, but even these could not have nominated him without the general belief of the people that here was a man that knew how to curb the Big Business and could not be controlled nor fooled. Other men had been fooled and might be. But not the man that wrote "The New Freedom" and gave to the country that wonderful vision of emancipation from the power that had seized the government.

This is why there was such intense interest in the President's Trust message on January 16. He had been in office ten months then and had done nothing whatever to curb the Trusts nor to diminish the sway of accumulated wealth, but had on the contrary shown many alarming signs of yielding to these powers of evil. It was believed however that he was but waiting to deliver a message that would end all doubt and put to rout the enemies of the republic.

Some of the things he had done had been exceedingly disquieting to his friends and admirers among the people.

When he selected his cabinet, for instance. His Secretary of the Treasury was chosen for him by Kuhn, Loeb & Co., of Wall Street; his Secretary of Commerce was the active head of the Blower Trust, which had been investigated by the very department of which he now became the chief; his Attorney General was a graduate of the office of Paul Cravath, one of the most conspicuous and adroit corporation lawyers in the United States; his Secretary of Agriculture was a beneficiary of the insidious Rockefeller Fund, his Secretary of War had been a judge in New Jersey at a time when the Pennsylvania Railroad ruled the state with ab-

solute power; his Secretary of the Navy and Postmaster General were Southern reactionaries.

But this was not the worst of the story. The man that obviously should have been Attorney General was Louis Brandeis, who first had exposed and then had valiantly fought the rotten management of the New Haven railroad. Mr. Brandeis was slated for the place; if it was not directly promised to him his friends were given to understand that he was to have it; and Mr. Brandeis himself was twice summoned to Princeton to confer with Mr. Wilson, when the powers back of New Haven, which were chiefly the great Morgan Group and allies, put forth their influence, and Mr. Brandeis was turned down and Mr. Cravath's protégé appointed.

It was then given out that Mr. Brandeis was to be Secretary of Commerce. Again the New Haven crowd pulled the strings and Mr. Brandeis was sacrificed for the head of the Blower Trust.

In other words, a Trust man was set to catch the Trusts.

One of the first important issues with which Mr. McReynolds, the new Attorney General,

was called upon to deal with was the celebrated Anti-Trust case that is called the "Dissolution of the Harriman Merger."

Now here was a Trust that had furnished a conspicuous instance of the lawless power of accumulated wealth put on trial.

The late E. H. Harriman had practically combined the Union Pacific and the Southern Pacific, for thirty years rivals and competitors, and in so doing was alleged to have violated the Sherman Anti-Trust law, forbidding combinations in restraint of trade.

This law was passed in 1890 to abolish Trusts. For many years, so far as Trusts were concerned, it was a dead letter, or worse. One Attorney General declared frankly that he had no intention of enforcing it; others said that it could not be enforced, which was another way of saying the same thing. Finally, attention being persistently drawn to the fact that whereas the law was not enforced upon Trusts, against which alone it was designed, it was being strictly enforced upon labor unions, against which it was never designed, the Department of Justice tardily awoke and began to bring suits against corporations that had violated the law. The Harriman merger of the

Union Pacific and the Southern Pacific was one of the transactions that the Department now took up.

The case was appealed to the Supreme Court, and three or four years passed in which time the railroads continued to be operated under the combination exactly as before, and the general understanding was that they were always to be so operated, when the Supreme Court upset calculations by handing down a decision holding the merger to be in violation of the Sherman Anti-Trust law and ordering it to be dissolved.

Here was a mighty unpleasant situation. The two roads were now controlled by the great and powerful Oil Group, the second of the two Groups of financiers that have seized between them the control of more than one-third of all the wealth in the United States. To upset the merger was to interfere gravely with the projects of this group. Several plans were proposed with the idea of nominally complying with the decision, but in reality evading it. None of these was satisfactory. At last somebody in New York hit upon a device that was indeed a peach and obviated every difficulty.

It was that the Union Pacific should be taken over by the Baltimore & Ohio and the Southern

Pacific should be taken over by the Pennsylvania.

You do not see the whole exquisite beauty of this arrangement unless you know that the Baltimore & Ohio and the Pennsylvania are both owned by the Oil Group which also and all the time owned the Southern Pacific and the Union Pacific.

So that the net result of the operation was that the persons that had owned the properties continued to own them in exactly the same way on the same terms.

Thus was the Harriman merger "dissolved" — by making it legal, binding and perpetual, and thus was the august order of the sacred Supreme Court carried into effect. Amen. Glory be. Thus also do we vindicate the great principle of regulation as a cure for our ills.

This lovely device was worked through the office of Mr. Wilson's Attorney General, graduate of the office of Paul Cravath, and received the entire approval of the President.

It was brought about through the mediation of Kuhn, Loeb & Co., Wall Street, representing the Oil Group, an able firm to whom we are indebted for our Secretary of the Treasury and for many things besides.

For these reasons with others, there was

great curiosity to know what the President would offer in his message as a cure for the Trust evil. It was felt that he could not possibly uphold the Sherman act, because as seen in the foregoing illustration and many others that might be cited the Sherman act was a thing through which the Trusts could drive an eight-horse team abreast. When it came to prosecuting the labor unions against which it was never designed it was a law of might and power and when it came to prosecuting the Trusts, against which it was designed, it was nothing but a funny joke.

A few months later there would have been no such curiosity to learn the President's views about Trusts, because a few months later the country began to understand fairly where the President stood on this subject. It had been taught by events, as thus:

Early in February a large number of working women from all parts of the United States gathered at Washington to ask the President to assist them in getting the ballot. The President received them but declined to afford them any countenance in their endeavors, because, as he lucidly explained, he was only the mouthpiece of his party and bound by its declarations. He could not originate anything, he said; he

must carry out the platform of his party and as the party had not declared in its platform for woman suffrage, he was powerless to assist the movement.

That was on a Monday. On the following Thursday, that is to say, three days later, Mr. Wilson announced that the law exempting American coast-wise ships from tolls in the Panama canal must be repealed. In this he not only initiated something independently of his party but absolutely reversed his party's declaration, for the Baltimore platform explicitly demanded the very thing which he now said must not be.

The influences that desired to have the tolls exemption repealed were Kuhn, Loeb & Co., the transcontinental railroads, owned as previously indicated, the Oil Group and Mr. James J. Hill. Nobody else. Except the Canadian Pacific Group in England.

From the beginning of the enterprise the transcontinental railroads had planned to cripple the competition of the Canal. First they had spent much money to prevent the Canal's construction. Then they had secured the selection of a route believed to be impracticable. At last they had obtained through President Wilson the very object they had always sought.

They had abolished the competition of the Canal and could proceed to skin the people as before and in the good old way.

If it had been known in January what course President Wilson would pursue to secure for the railroads and Kuhn, Loeb & Co. this great benefit there would not have been so much curiosity to know how he purposed to deal with the Trust problem. In fact, there would have been none at all. People would have known beforehand.

Or if it had been known in January what an extraordinary stand the President would take on the demand of the railroads for a 5 per cent. increase of freight rates, no one would have cared much about the other matter. Who would have supposed in January that the President of the United States would give the slightest encouragement to a scheme so absolutely dishonest? Or who could have thought of him as saying, "It is time to let up on the railroads," when as a matter of fact our railroad companies are nothing but gangs of financial pirates that are looting the country's transportation system and building from fraudulent stock issues the colossal fortunes whose existence, according to the author of "The New Freedom" threatened the life of the Republic.

Likewise, there would have been very little curiosity about the President's message if it had been known in January that he could by any possibility nominate for a place on the Interstate Commerce Commission such a man as Garrison of New Jersey or that his Attorney General, apparently with his approval, could ever seek to crawl out of the prosecution of the gang that wrecked the New Haven.

But in January none of these things was known, and consequently the whole country was eager to learn what were the views of the President on this great problem of the Trusts and accumulated wealth. The leader that had been put into this high office because of his fervent denunciations of these evil combinations was now about to reveal his way to eliminate them from the nation's life.

So he came down to the House of Representatives on that day and to both houses in joint sessions he read his momentous message and this is what he said:

Legislation has its atmosphere like everything else, and the atmosphere of accommodation and mutual understanding which we now breathe with so much refreshment is matter of sincere congratulation. * * *

The great business men who organized and financed monopoly and those who administered it in

actual everyday transactions have year after year, until now, either denied its existence or justified it as necessary for the effective maintenance and development of the vast business processes of the country in the modern circumstances of trade and manufacture and finance; but all the while opinion has made head against them. The average business man is convinced that the ways of liberty are also the ways of peace and the ways of success as well; and at last the masters of business on the great scale have begun to yield their preference and purpose, perhaps their judgment also, in honorable surrender.

What we are purposing to do, therefore, is, happily, not to hamper or interfere with business as enlightened business men prefer to do it, or in any sense to put it under the ban. The antagonism between business and government is over. We are now about to give expression to the best business judgment of America, to what we know to be the business conscience and honor of the land.

The government and business men are ready to meet each other half way in a common effort to square business methods with both public opinion and the law. The best informed men of the business world condemn the methods and processes and consequences of monopoly as we condemn them; and the instinctive judgment of the vast majority of business men everywhere goes with them. We shall now be their spokesmen. That is the strength of our position and the sure prophecy of what will ensue when our reasonable work is done.

When serious contest ends, when men unite in opinion and purpose, those who are to change their ways of business joining with those who ask for the change, it is possible to effect it in the way in

which prudent and thoughtful and patriotic men would wish to see it brought about, with as few, as slight, as easy and simple business readjustments as possible in the circumstances, nothing essential disturbed, nothing torn up by the roots, no parts rent asunder which can be left in wholesome combination.

Until these things are done, conscientious business men the country over will be unsatisfied. They are in these things our mentors and colleagues. We are now about to write the additional articles of our constitution of peace—the peace that is honor and freedom and prosperity.

In other words, Mr. Wilson's answer to the Trust problem was that there wasn't any Trust problem. There used to be in days gone by, but the old conditions had vanished now and no longer need any citizen be concerned about the power of accumulated wealth. All such difficulties, thank God, had been removed from the nation's path. Every cloud had been cleared away. Bright and beaming showed the future.

Why was that? Why, Big Business had reformed. The Trusts had become good. The octopus had turned angel. The monster had become as a little child. Once from its baleful presence emanated perils that threatened to blast the Republic; now from its gentle soul arose an aureola of sweet and precious influ-

ences. Have no fear, fellow citizens! All is well with us. The Trusts have become good. Their only desire now is to live down their past and prove by kindly and pious deeds the sincerity of their conversion. No need of strengthening the Sherman law; no need, to be sure, of any law. Big Business has seen the error of its ways and is now determined to be righteous. Perhaps they have been sitting at the feet of Billy Sunday. Anyway, they have repented and are now become good.

This isn't exactly in line with the remarks in "The New Freedom," in which valuable work I find the following with other gems:

There is one great basic fact which underlies all the questions that are discussed on the political platform at the present moment. That singular fact is that nothing is done in this country as it was done twenty years ago.

We are in the presence of a new organization of society. Our life has broken away from the past. The life of America is not the life that it was twenty years ago; it is not the life that it was ten years ago. We have changed our economic conditions, absolutely, from top to bottom; and with our economic society, the organization of our life. . . . We are facing the necessity of fitting a new social organization . . . to the happiness and prosperity of the great body of citizens; for we are conscious that the new order of society has not been made to fit and provide the convenience or

prosperity of the average man. The life of the nation has grown infinitely varied. It does not centre now upon questions of governmental structure or of the distribution of government powers. It centres upon questions of the very structure and operation of society itself, of which government is only the instrument.

Society is looking itself over, in our day, from top to bottom; is making fresh and critical analysis of its very elements; is questioning its oldest practices as freely as its newest, scrutinizing every arrangement and motive of its life; and it stands ready to attempt nothing less than a radical reconstruction, which only frank and honest counsels and the forces of generous co-operation can hold back from becoming a revolution. We are in a temper to reconstruct economic society, as we were once in a temper to reconstruct political society, and political society may itself undergo a radical modification in the process.

But when you came to contemplate the President's Trust message it didn't seem as if anything had been changed. On the contrary that seemed to be just the same old bunk put over in the same old way. That was the peculiar part of it. Everything had changed in the United States except bunk, and that hadn't changed a bit. Even the idea of a gentleman that was a roaring champion of the people against the robbers so long as he was a candidate and when he got into office turned his back so he could not see the robbers at work — even that was

old as the hills. But the phrases in which the bunk was put over, they were new. And fresh. And rich in sounding platitude.

At the very moment that President Wilson was penning his declaration that Big Business had become good and all was well with us, the Big Business that he praised was overrunning Michigan with its hired murderers and carrying on a cruel and bloody war in Colorado. At the time he said that Big Business had reformed it was killing people just as it killed them before. When he said that it was solely desirous to obey the law it had abolished all law and was trampling upon the Constitution. The slightest investigation would have shown to Mr. Wilson these facts. Without difficulty he could have seen that when Big Business came to the sanctuary it came with its hands dripping with blood and its pockets filled with loot. He would not make the investigation, he would not learn these simple facts. With his eyes resolutely closed he gave his benediction to massacre and shook the hands of the murderers.

But laying aside for a moment the condition of labor under the iron heel of Big Business, wherein had Big Business really shown the slightest intention to mend its ways, even in

regard to the Anti-Trust laws? Or in any of its dealings with the public?

At the time the President wrote, the Interstate Commerce Commission was showing that the railroads, which are an integral part of the huge possessions of the Two Groups, were violating the Interstate Commerce laws, exactly as before. Every Trust was operating in defiance of the Sherman law, as it had always operated. Not one monopoly had been abandoned nor relaxed. The practice of cutting melons and issuing watered stocks had not stopped for an instant, and all these stock issues remained as before with interest charges that the public must pay. Where was any indication of an intention to reform?

More important even than all this, these corporations continued to gouge their employees in exactly the same old way. Every dollar they made was created by labor. Every dividend they declared was gouged out of labor. Yet labor continued to receive but a very small part of the wealth it created and the greater part went to persons that had nothing to do with production.

The shareholders of the United States Steel Corporation, the gigantic Steel Trust, con-

tinued to receive fat dividends, but none of these shareholders had any part in the production of steel. The men that actually produced the steel and created the profits received as before barely enough to keep themselves alive; yet it was their labor that enabled the dividends to be paid.

So long as this condition of monstrous injustice persisted for the President to say that all is well with us showed one of two things to be true. Either he had no idea of the actual state of labor, in which case he ought not to be President, since the working class constitutes the overwhelming majority of the population of this country. Or he did know the actual condition and did not care.

CHAPTER V

THE GRAND OLD SPORT OF TRUST BUSTING

BUT President Wilson's novel idea that the Trusts had become righteous and therefore nothing need be done about them was after all as sensible as the idea that they can be checked, regulated, restrained or by any such means as the Sherman law compelled to return to Competition or to do anything else that they do not wish to do.

This, indeed, is the joke of the ages.

The great Trusts in this country have become the property of the two great Controlling Groups, and so mighty is the power of these Groups that even the august Supreme Court cannot prevail against them.

That is the fact, however much it may be concealed from us and however diligently the kept press may pretend something else.

It may be taken for granted that whatever these Groups desire they will get. In one way or another they will get it, not because they are

directed by bad men but because the control of such almost inconceivable wealth carries with it inevitably a corresponding amount of power. The power of wealth is always in due proportion to its amount. A man with a million dollars will exercise a certain amount of power in his community and a man with ten millions will exercise ten times as much. That is inevitable from the nature of business under modern conditions and its ramifications and intricate interlockings. Here are men composing the Two Groups that together control about fifty billion dollars of wealth. If they work together with that wealth as they usually do, the power they can command is almost unlimited, so long as we have government chosen exclusively in the interests of the capitalist class.

It is for this reason that all the experiments in the comical sport entitled "Busting the Trusts" have been such ludicrous failures.

For more than six years the government of the United States was engaged in an attempt to bust the Standard Oil Company, the oldest and most ferocious of the fierce, man-eating Trust monsters. All the way to the Supreme Court it carried the war against this mighty octopus, and won at last what was hailed as a marvelous victory, for the Supreme Court not

merely busted this Trust but annihilated it. Trust busting more thorough could not be imagined by the most ardent reformer.

By the order of the Supreme Court, highest authority in the land, the Standard Oil Company was to be dissolved and cease to be.

So it was dissolved. The Standard Oil Company ceased to be and its place was immediately taken by the Standard Oil Companies, thirty-seven of them, having the same owners and management. To bust a thing into thirty-seven pieces, it will be admitted, is pretty good busting; a thing couldn't well be much more thoroughly busted than that. From which you can see what a good job the Supreme Court made of this and how nice it is to have our Trust busted for us in this able manner.

Yes. Well, six months after this order of the court had been issued and obeyed, and the greatest of the Trusts had been busted thus to pieces, the value of the securities of the Standard Oil companies had increased \$180,000,000 and the prices of kerosene and gasoline had reached the highest points ever known. Since that time the tide of glorious prosperity has risen always the higher for this busted concern. The thirty-seven Standard Oil companies into which the octopus was busted have headquar-

ters in New York at the same old 26 Broadway, where you wouldn't think a thing had been changed, and from this place was lately issued a little book that gives concisely the net results of Trust busting to date, and they ought to fill with pride the heart of any patriot. Like this:

The capital stock of the concern "at dissolution" was \$277,015,954; on July 1, 1913, it was only \$423,449,947, not quite double what it was before the government destroyed the "company." The cash dividends paid in 1912, according to the same report, were \$51,813,334; for the first half of 1913 the dividends were \$71,224,543, almost three times what was paid before dissolution. The value of the capital stock on the market was almost destroyed by the dissolution, being officially listed at only \$1,102,989,677, nearly four times its face value. But the dead Standard Oil "company" can regard its dissolution with considerable equanimity when it reflects, in the language of the report, that the "total earnings of the Standard Oil companies equal over 18 times the dividend requirements."

If this is President Wilson's idea of the way business has become good he is certainly right;

business has never been better for the Standard Oil gentlemen.

Soon afterward the Supreme Court destroyed in the same way, after seven years of contest, the great American Tobacco Trust and in seven months the value of the securities of this horrible thing had increased nearly \$100,000,000, and the monster was still doing profitable business at the old stand.

In 1904 the country was made happy by the famous decision in the Northern Securities case, which was brought to prevent Mr. James J. Hill from combining the Northern Pacific and Great Northern railroads. The Supreme Court in severest terms condemned this combination and upheld the validity of the Sherman act, prohibiting all such combinations in restraint of trade. But the combination endured, nevertheless, and endures to this day. Mr. Hill merely opened a new set of books and juggled a little with names and proceeded with his plans exactly as before.

Four years ago the government undertook to destroy the great Harvester Trust. The Harvester Trust, names and forms being changed a little, thrives as before and continues to gouge the farmers of \$140 for a binder worth \$40.

The government has investigated, denounced, and prosecuted the United States Steel Corporation, the overshadowing Steel Trust. The Steel Trust continues to pursue its serene way, declaring dividends and killing men.

The government has prosecuted the Shoe Machinery Trust. The Shoe Machinery Trust continues to accumulate its enormous profits as before.

The government has prosecuted and condemned the Powder Trust. The Powder Trust continues as of old to gouge the very government that prosecuted it.

The government has prosecuted the Lumber Trust. The Lumber Trust continues to do the very things for which nineteen of its members were once indicted.

In four years, while the cost of living uniformly rose, the trusts of this country added Two Billion Dollars to their capitalization, most of the addition being water as pure and limpid as ever burst from any spring. On all this added capitalization the public is required to furnish the interest and dividends. Yet some persons profess wonder as to why the cost of living increases.

All the time these changes were taking place the Sherman Anti-Trust law irradiated the

statutes and doctors of the body politic like Mr. Wilson continued to talk pleasantly about enforcing that law.

The true nature of the high finance that was behind all Trust operations can be gathered easily from the report of the Interstate Commerce Commission on the financiering of the New Haven.

The Commission found after an exhaustive examination that the railroad had been looted of about \$90,000,000 by the gentlemen in control of the property. Many of the acts cited were grossly illegal and others were criminal. From time to time while the looting was going on the attention of the government was called in magazine articles and otherwise to the pirates and their work, but government declined to interfere until the pirate band had taken everything in sight and abandoned the old ship. Whereupon the country is allowed to know that nothing had been left that wasn't spiked down.

The report of the Commission contains these highly instructive passages:

Marked features and significant incidents in the loose, extravagant, and improvident administration of the finances of the New Haven as shown in this investigation are the Boston & Maine despoilment; the inequity of the Westchester acquisition; the double price paid for the Rhode Island trolleys;

the recklessness in the purchase of Connecticut and Massachusetts trolleys at prices exorbitantly in excess of their market value; the unwarranted expenditure of large amounts in "educating public opinion"; the disposition, without knowledge of the directors of hundreds of thousands of dollars for influencing public sentiment; the habitual payment of unitemized vouchers without any clear specification of details; the confusing inter-relation of the principal company and its subsidiaries and consequent complication of accounts; the practice of financial legerdemain in issuing large blocks of New Haven stocks for notes of the New England Navigation Company, and manipulating these securities back and forth; fictitious sales of New Haven stock to friendly parties with the design of boosting the stock and unloading on the public at the higher "market price"; the unlawful diversion of corporate funds to political organizations; the scattering of retainers to attorneys of five states, who rendered no itemized bills for services and who conducted no litigation to which the railroad was a party.

Extensive use of a paid lobby in the matters as to which the directors claim to have no information, is another "significant incident," as are "the attempt to control utterances of the press by subsidizing reporters; payment of money and the profligate issue of free passes to legislators and their friends; the investment of \$400,000 in securities of a New England newspaper; the regular employment of political bosses in Rhode Island and other states, not for them to perform any service, but to prevent them, as Mr. Mellen expresses it, from 'becoming active on the other side'; the re-

tention of John L. Billard, of more than \$2,700,000 in a transaction in which he represented the New Haven and into which he invested not a dollar; the inability of Oakleigh Thorne to accept for \$1,032,000 of the funds of the New Haven entrusted to him in carrying out the Westchester proposition; the story of Mr. Mellen as to the distribution of \$1,200,000 for corrupt purposes in bringing about amendments of the Westchester and Portchester franchises; the domination of all the affairs of this railroad by Mr. Morgan and Mr. Mellen and the absolute subordination of other members of the board of directors to the will of these two; the unwarranted increase of the New Haven liabilities from \$93,000,000 in 1903 to \$417,000,000 in 1913; the increase in floating notes from nothing in 1903 to approximately \$40,000,000 in 1913; the indefensible standard of business ethics and the absence of financial acumen displayed by eminent financiers in directing the destinies of this railroad in an attempt to establish a monopoly of the transportation of New England. A combination of all these has resulted in the present deplorable situation in which the affairs of this railroad are involved."

The report, says the press despatch describing it, told of millions used like stage money, of corporations as pawns in a monster game with all New England's transportation as a prize, which led the New Haven in the ten years just past from the height of prosperity to the point where a dividend has been passed, where

a dissolution suit is threatening and where criminal indictments of many of the directors who figured in its deals are at least a possibility.

It speaks of criminal maladministration and negligence, asserts with positiveness that the directors knew they were perfecting an illegal combination, and says that the dream of a transportation monopoly was unsound and mischievous.

The New Haven, the commission says, employed dummy directors, manipulated accounts, used questionable methods in increasing its own stock, paid the dividends of subsidiaries to make a showing and used many other devices to deceive the stockholders and the public. It dipped into politics, was a factor in "invisible government," made large campaign contributions to the two dominant political parties, bought officials and tried to distort public opinion. All this it did, the commission says, "to carry out a scheme of private transportation monopoly imperial in its scope."

In its investigation the commission found the New Haven had 336 subsidiary corporations, many of which served no purpose except an "evil one."

The report, pointing out that on the New Haven board were representatives of the Pennsylvania Railroad, the New York Central, the United States Steel Corporation, the Standard Oil Company, the Pullman company and many other interests, says that interlocking directorates of this sort cannot be "too strongly condemned."

So this is the way the highest financiers in the country and the most famous conducted the New Haven to its ruin.

Three facts are now to be considered very soberly by every citizen in the light of this revelation.

First, former President Mellen testified on the witness stand that for the purposes of "controlling public opinion" the New Haven spent less than other important railroads. So the true source of the newspaper support of the railroad cause is quite clearly revealed. We can see now why so many journals clamored for the 5 per cent. increase in freight rates. Also the real reason why the railroads needed that increase.

Second, there is no essential difference between the manner in which this railroad was scooped inside out and the manner in which the same process has been and is being carried on in other railroads. And for all of these amusements the public must assuredly pay, since the roads are left loaded with a huge capitalization and debt on which the public must dig up the dividends and interest.

Third, this process is very apparent in the case of the New Haven, where to meet the enormous charges caused by the looting rates have already been advanced, tickets that formerly sold for \$4.65 being now \$5, with other rates in proportion.

The substance of the proposition therefore is revealed. We pay increased rates that the gentlemen on the inside of these enterprises may have more yachts, more art galleries, more automobiles and more monkey dinners. This is the process we endorse when we vote for either of the old parties since both equally support it.

Of course, if we vote for what we get we ought not to complain when we get it.

CHAPTER VI

FOR OURSELVES OR FOR THE ENEMY?

FOR all these things the remedy is in the hands of labor, and the curious fact is that labor can not only put an end to its own troubles by doing a very simple thing, but it can also put an end at the same time to that menacing situation for the whole country caused by the accumulation of wealth in the hands of the few, a trouble that appealed so movingly to the author of "The New Freedom" so long as he was merely a candidate and not a President.

The way labor could do this is by uniting.

Now an impartial observer might think this a thing so obvious that it is silly to talk about it.

The Parasites that live upon labor and declare great dividends out of labor's poorly paid toll — they do not need to be encouraged to unite. They are firmly united already.

No one needs to suggest to the gentlemen that are riding upon your backs that their in-

terests are identical. They know that any-way.

Nobody ever heard of rival organizations of the exploiters getting in one another's way; it is only the exploited that do that.

The riders are harmonious; it is the ridden that quarrel and are divided.

When the railroads are trying to put over a fraudulent increase of freight rates, notice how absolutely they stand together. One works for the others and all work for one in a way that is beautiful to behold. Or when they are trying to prevent their employees from getting an increase of wages, what harmony prevails! Or observe how carefully they guard one another's interests in the matter of blacklisting. Any man anywhere that is found to be an agitator or active in forming labor unions or prominent in a strike, is quickly known by name to every railroad in the country and cannot get work from any of them.

So late as 1903, for instance, the men that took any prominent or active part in the great railroad strike of 1894 were blacklisted and unable to get employment on any railroad in the country. They had worked against the interest of the railroad combination and must be punished and made an example of.

In the same way, any man that attacks organized wealth anywhere is boycotted everywhere. If he offends the banks in Oshkosh he offends them also in Spokane and Baraboo.

Everywhere Greed preserves an unbroken front. It is only Need that stops to quarrel about trifles and while it quarrels Greed picks its other pocket also.

Suppose there was a fort held by five hundred men and five thousand men were trying to capture it. And suppose that every day the besieging army sent fifty men to make a charge against the fort. How long do you suppose the besiegers would be in capturing that position?

If the whole five thousand went in one united body they could take the place without half trying. So long as they think more about bickering among themselves than they think about assaulting the common enemy, the enemy, though few in numbers, will win. So long as the besiegers advance in detachments they might as well give up and go home.

Two or three years ago there was a strike among the shop men of what is called the Hariman system of railroads, the Union Pacific, Southern Pacific, Illinois Central and some others.

It is certain that the railroad managers expected the strike and welcomed, if they did not secretly instigate, it. They desired a chance to crush union labor and were fully prepared to do so. For weeks before the strike was actually declared, work trains manned by union men were engaged in hauling lumber for shacks and stockades to house strike-breakers and scabs. Union carpenters were engaged in erecting such shacks and stockades. When the strike was declared union engineers, union firemen, union conductors and union brakemen carried to the shop towns thousands of strike-breakers and union switchmen helped to operate the trains that bore these enemies of theirs. Not willingly, any of them, of course; they knew what was on foot and knew the use that was being made of them to defeat their brother workers. But they were helpless. They belonged to separate unions. Each union had made a separate contract for itself with a separate date of expiration and this contract withheld it from giving to another union any effective support.

If the engineers could have struck with the shopmen, if the firemen could have refused to haul strike-breakers, the strike would have been won in twenty-four hours or less. But because

of the division into separate unions, the rest of the army of labor was obliged not merely to stand by and see their brothers beaten but actually to assist in beating them.

In other words, it was the old story of advancing in detachments and being defeated in detail.

The same illustration was repeated in the case of the strike of the pressmen and stereotypers in Chicago in the spring of 1912.

Here was one of the greatest battles that labor ever fought and only prevented from being one of labor's greatest victories by the failure of the compositors to join hands with their fellow workers. With the assistance of the compositors the strikers would have been invincible and could have dictated their own terms. But the compositors were helpless, being tied up with a separate contract made with their separate union and having a long term to run. They were obliged to stand by and help to issue the newspapers that were defeating and defrauding the workers.

Such things have been repeated so often that they are perfectly (and painfully) familiar to every person that has observed the course of the labor struggle in America. If there is a strike of miners, the engineers in that mine con-

tinue to hoist scab miners in and out; the engineers' union has a separate contract. If there is a strike in a factory, the machinists cannot come out; they have a separate contract. When it expires the employers exact some concession, and then if the machinists strike the operatives in that factory cannot join them, because in the meantime they, too, have made a separate contract. The two together could win justice and better conditions; fighting separately they are defeated separately, and with ease.

The employers clearly perceive this situation if the workers do not, and the employers bend every energy to keep the workers from uniting.

An infinite variety of devices are used to this end, some of them exceedingly ingenious. If there is a labor leader anywhere that cannot see the advantages of industrial over craft organization (that is, all railroad men in one union, all men in the printing trade in one union, and so forth) such a leader is singled out for subtle honors and attentions. He may be as honest as the day is long and may never suspect the reason for the distinctions that are heaped upon him, but the flattery will affect him, nevertheless. In spite of all reason and evidence,

he will think that he has the kind regard of the employers because of his superior merit and character, and there is no wisdom after that able to keep him from being influenced by the suggestions he hears.

Similarly, any man that stands for a genuine union of the forces of labor must expect nothing but ridicule and every form of misrepresentation from the journals controlled in the interest of the employers. He must also expect that the true origin of this abuse will never be recognized and he will suffer accordingly in the estimation of his own class and his own people.

But to keep the workers divided on the political field is equally important to the employers and brings forth their most adroit schemes. They know perfectly well that the workers constitute the vast majority of the voters and that accordingly if the workers were ever to unite at the ballot box the present supremacy of the employing class would vanish instantly. The constant object of the employers, therefore, is to keep the workers divided, and to that end they bring out at every election some false issue by which the attention of the workers may be diverted from their own wrongs and be fixed upon something else.

This is the only thing that has kept the old Republican and Democratic parties alive so many years after there has ceased to be any difference between them.

Millions of workingmen vote the Republican ticket every year and other millions vote the Democratic, and they might far better not vote at all. No human being is ingenious enough to mention a single advantage that any workman has had from either the Republican or the Democratic administrations. When workingmen vote the Republican or the Democratic ticket they are voting for the employing class. They might as easily vote for themselves, if they would, but the great majority continue to vote for their employers. The spectacle is one of the strangest and most unreasonable that can be imagined, but every year it is repeated, to the great satisfaction of the employing class and the increase of its profits.

One year it is the tariff question that is relied upon to do this. We have had more than thirty years of tariff discussion and sometimes we have had a high tariff and sometimes a low tariff, but all the time the workers continued to create all the wealth of the country and to get very little of the wealth they created. All the time, too, this great change has gone forward

unchecked under which there is a constant increase in the cost of living but no corresponding increase in wages and salaries; under which, therefore, the workers have continued to grow poorer and poorer and the chances of their children to grow less.

When it seems unlikely that the tariff can arouse the interest necessary to keep the workers from thinking about their plight, there is always something else that will do it. Sometimes it is reform; sometimes it is free silver coinage; sometimes it is a personal contest between two well-known men, when the campaign takes on the aspect of a prize fight and the sporting instincts of the people are appealed to. One of the most effective men for this purpose is Theodore Roosevelt. He has a good line of spectacular stunts and can be depended upon to get into the lime light every day with some new device. This keeps the people guessing and centers their minds on Roosevelt instead of on themselves, the result being that either the Republicans or the Democrats get control of the government, and so far as the employing class and the exploiters are concerned, one is as good as the other.

No matter which is in power, the old condition continues under which the workers create

all the wealth of the country and get very little of what they create and the cost of living continues to increase, but there is no corresponding increase of wages and salaries.

Every interest of the working class and of the nation, every interest material, intellectual or any other, demands that this shall be changed and at once. If nothing else were involved but the one great matter of education, even that ought to be sufficient to move the worker as much as it moves every intelligent observer aware of the present appalling facts in regard to our public schools.

In other words, even if the worker would not desire for his own sake to effect a radical change, he ought to think how directly all this comes home to his children.

At the last meeting of the National Educational Association the startling fact was brought out that the children of the masses of this country are practically uneducated and without a chance of securing an education. It is actually true that 75 per cent. of the children in our public schools drop out at the close of the elementary courses or before. Fewer than 7 per cent. complete the high school grade.

That is to say, in the United States only the children of the rich and the well-to-do are re-

ceiving any kind of education worth the name. The children of the poor and of the workers are condemned at the start to a state of ignorance.

Thus, in spite of ourselves, we have already established one aristocracy, the aristocracy of knowledge.

This condition is not merely perilous to the country but it will inevitably prove fatal to its progress and ideals.

Moreover, it is absolutely unnecessary. There is no possible reason why knowledge should be monopolized. Knowledge should be just as much the possession of the poorest as of the richest. The child of the worker should have as much opportunity for culture and higher education as the child of the millionaire.

More than that, if we consider the interests of society at large and of the future of the race, that the child of the worker should have the utmost of education is far more important. Under the existing state of facts the loss to society is incalculable and staggering. Knowledge is power, we continue to parrot, and yet we deprive ninety per cent. of the next generation of all such power.

Yet such results must always be expected of a government chosen in the sole interests of the

exploiting class and composed of its members and representatives. All hope of betterment from government so constituted is very idle. If legislators chosen by and for the exploiting class could be induced to accept even the slightest improvement it would be in the nature of only a benevolence, condescendingly conferred and like all benevolences, certain to be futile. The complete education of the children of the masses is of no concern to the gentlemen that constitute the parasitical kind of government that at present we endure. They do not see that there is any necessity for widespread and advanced education. To a great many of them their material interests are all the other way. They do not believe in much education for the children of the working class because they think education would spread discontent among them and make them dissatisfied with their lot. They will say so if you ask them frankly. Their interest is that there shall be a large body of workingmen content and docile and willing to accept prevailing conditions, and therefore these employers are on sufficient grounds opposed to "too much education" for all children except their own.

Inevitably they look at the matter from the viewpoint of their own interest and always will.

Consequently so long as government is conducted by and for the employing class, there will never be any change in the condition under which the children of the workers are condemned to ignorance any more than there will be in that other condition under which the cost of living steadily increases but without a corresponding increase in wages.

What is incumbent upon workers therefore is that they shall insist upon having a government truly representative of themselves and their class, being by far the largest part of the population. The only way they can get that kind of a government is by electing men of their own class to every office. The fiction has been carefully nursed by the Parasites that workmen, being of inferior intellect, are incapable of discharging the duties of government. It is hardly necessary to dwell long on this old fake. It is part of the game by which the working class is kept from its just share of power. The snobbish assumption is that because a man works with his hands he is therefore unable to think with his brain. This is, of course, merely preposterous. The best thinkers in this country to-day are among those classed as workmen. You can go into any average labor union and hear a higher order

of debate and a more intelligent conduct of affairs than you will find in the national House of Representatives, and everybody that has had the chance for comparison knows that this is perfectly true.

But anyway, what is demanded for the security of the country as well as for the future of the worker and his children is that all workers should unite in the determination that since this country is a Republic and Democracy is the eternal law of truth and since the working class constitute the vast majority of the population the working class united will have an ever increasing share in the country's government.

It is a very strange fact that the workers of America seem to be the only workers in the world that have not yet begun to awaken to the basic facts of the conditions that surround and threaten them. Elsewhere we see the workers uniting and beginning to demand their own. Only in the United States do they seem contented to keep on voting for the employers instead of for themselves, and using their great power to make their condition worse instead of better.

Every other nation that has a parliamentary form of government has in it many representa-

tives of the working class. At present the government of the United States does not contain one.

Easily 70 per cent. of the population of this country belongs to the working class. In the National House of Representatives sit 435 members. If that body were truly representative, 304 of its members would be of the working class. Instead of this, we never have more than four or five members that by any stretching of imagination can be said to have ever belonged to the working class and except for a single Congress not one that was chosen distinctively to represent that vast majority of the population:

This is the strangest fact in our national life, and after one has contemplated it for a time, all wonder vanishes that in legislation and the management of the government labor is continually the victim of the tricks and rotten devices a few of which have been instanced in a foregoing chapter. Likewise no one need longer be astonished to learn that the government is conducted in the interest of the exploiters, nor that conditions prevail here at which every intelligent foreign visitor gasps in astonishment; for here is the fact that makes all these things easy.

The exploiters, constituting 1 per cent. of the population, elect 99 per cent. of the national legislators. The workers, constituting 70 per cent. of the population, elect nobody at all. What would you naturally expect under such conditions? The legislators naturally work for those that put them into office. A man elected by the exploiting class and chosen from its ranks can no more represent labor or the masses than the King of Siam can represent the State of Iowa.

This was always true, but it is now truer than ever, and infinitely more important, as you will see at once if you will stop to reflect on the great changes that have occurred in the nature of public problems in the last twenty years.

Here is something you never see discussed in your newspaper and yet it is the most significant fact of the times. It is literally true that nine in ten of the topics now debated in Congress are not of the least importance to this nation. Nine-tenths of the time of Congress is frittered away. The eminent legislators might much better be employed in making mud pies or tatting. Nothing is of any real importance to this nation except the one question whether we are longer to continue the process

under which the cost of living increases and increases but there is no corresponding increase of wages, and that question you never hear mentioned in Congress.

Yet if that process shall continue much longer, we shall, in effect, have no nation worth bothering about. For two things will have happened. First, the great Groups of capitalists that at present have absorbed the control of almost half of the nation's wealth will have absorbed the rest of it so that all others will be merely the hired men of these, subject to a power the most colossal and irresponsible that ever existed on this earth. Second, the standard of living among the workers, now steadily declining under the present system, will have reached a level that no thoughtful man can contemplate without the gravest alarm.

For the simple fact is that the strength of any nation lies solely in the physical welfare of its producers, the working class. There is not a particle of national strength nor public advantage in the accumulation of much money in the hands of any individual. Physical, mental and moral strength springs exclusively from the masses and does not exist where the masses are ill-fed and hopeless. For a nation to have enormous wealth in the possession of a few

means not one thing that is good and everything that is ruinous.

What is at hand for this nation, therefore, is obvious when we contemplate the fact that just as the masses grow poorer the few that are the beneficiaries of the present system grow richer.

While for the masses the cost of living always increases and there is no corresponding increase in wages, this process is a pump that gathers the wealth of the land into the coffers of the men constituting the Two Groups, already representing by far the greatest private fortunes ever possessed in this world.

Also the greatest power.

It is obviously true, therefore, as I said in the beginning of this chapter, that the life of the nation lies in the hands of the working class, and the workers can solve all these problems and remove all these perils if they will.

The one thing needful is that they should unite and begin to vote for themselves instead of voting for the Parasites.

If the country were in danger from a more obvious foe they would not hesitate. Suppose some other nation were to land troops upon our soil practically the whole working class would rally to the defense of our country. It would do so instinctively and without counting the

cost. Workers in every corner of the country would hasten to the recruiting offices to offer their lives, if need be, for the national defense. They would leave their homes and their families for this exalted purpose and feel that in so doing they were but making a sacrifice absolutely demanded by their duty as citizens. Even if the outcome of the war was from the beginning a certainty and they knew that their country was really in no danger of destruction, they would still be willing to make for it so great a sacrifice.

Every man that observed the rush to enlist at the time of the Spanish-American war knows how true this is.

But here is the country threatened by an enemy far worse than any that could possibly land a hostile force upon our shores. Here is a prospect of destruction far greater than could be wrought with cannon or an enemy's fleet. Not only is the national welfare and safety menaced but the future of the worker and of his children. As in the case of the other kind of war, the one source of defenders is in the working class. The sacrifice required is not of lives but simply and only this, that the workers should lay aside every difference that now divides them and ceasing to vote for

the Parasites that exploit them begin to vote for themselves, to organize and act for themselves.

And on this chance hangs the future for this country.

CHAPTER VII

THE UNCONSUMED SURPLUS AND WHAT IT MEANS IN THE WORLD

UNDER the present form of industry, which we call the Capitalist System, let us say that a man makes daily in a factory the equivalent of four pairs of shoes. He gets paid in wages \$2. But the shoes are worth \$8 in the factory. The consumer that finally buys and wears them will probably have to pay \$4 or \$5 a pair for them. But we need not go so far as that.

The worker with his \$2 in wages can buy back and consume only \$2 worth of commodities. That leaves \$6 worth of wealth in the form of shoes, hats, stoves or whatever the product may be, for the capitalist, the owner of the factory. The capitalist deducts the cost of his raw material, rent and other expenses and still has left a profit in the form of product. The amount of this profit varies in different industries, but its existence must be assured, under the present system, if the enter-

prise is to continue; for our entire industrial organization as it is constituted to-day is based upon the assurance of profit.

But the owner of the factory has only one pair of feet, one head and in numbers he is comparatively few. He has only one body to clothe, one stomach to feed. With his best efforts he is unable, as an individual or as a class, to consume all the wealth that is created for him by other men's labor. Labor would be able to consume its own product, but is not allowed to because the wages of labor permit it to buy back only a fraction.

So we have what is known to economists as the Unconsumed Surplus. Every year all the countries of the world that are by some mistake called "civilized," produce in various forms of wealth more than they consume.

To get rid of this unconsumed surplus is the problem of industry to-day.

There would be one sensible, obvious and reasonable method of getting rid of it, namely to pay the workers that have produced it enough in wages and salaries to enable them to buy back their own product, in other words to increase the purchasing power of the working class. But the masters of industry of the country, the "managerial brains" by whose wis-

dom we set so much store, appear never to have thought of so simple a solution as that.

So manufacturers and merchants continue their present futile efforts to get rid of their surplus stocks by "making business better." That is, they attempt, by one childish device after another, to compel the small percentage of the population that has purchasing power to buy things that they do not need.

To this worthy end are employed a vast army of advertising experts and salesmanship specialists. An appalling sum of human effort and intelligence is perverted from legitimate channels of activity and is prostituted to the service of designing and forcing upon the market continual changes in "fashion."

Though no form of human product escapes it the most obvious manifestation, perhaps, of this species of insanity is apparent in woman's wearing apparel, for the reason that the idle rich woman has more per capita spending power than any other class and that her desires have not evolved beyond the primitive demands supplied by endless variations in the decking of her own person.

We have therefore one ridiculous fashion in April, another in May. One monstrous absurdity assaults our vision in January, another

in February. We no sooner accustom our eyes to womankind tied in around the ankles than they suddenly balloon out at the base. We train ourselves to regard with philosophical equanimity hats perched at a precarious angle on the top of the head when suddenly, as with a flail, all high hats are swept from the landscape and feminine headgear is once more jammed bucket-wise over forehead and eyes.

Season after season the unsophisticated public is treated to the same delighted announcements of the fashion mongers that whereas last year collars were high, this year they will be low, that last season's skirts were wide at the bottom, but this year they must be wide at the top. The fashion venders, the commercial insiders, bear these tidings without shock. Naturally. What else would you expect?

Blame the folly of womankind? That is the easy and superficial thing to do. Meanwhile just how strong-minded must an individual woman needs be to dress in one fashion while her world dresses in another? Are you not yourself ready to ridicule and call "queer" the slightest deviation from the prevailing standard? If you think the responsibility for the silliness of fashion lies in the vanity of woman,

suppose, Mr. Superior-minded Philosopher, you try arraying yourself this season in that perfectly good straw hat and pair of pointed shoes that you set away a few years ago. Or why not bring out that bicycle which you once found both useful and enjoyable and which is still practically as serviceable as ever?

The responsibility lies not in the folly of individual woman or man. The responsibility lies in a social and industrial system which is deliberately designed to compel its members to buy things that they do not need. If they did not do this our whole industrial and commercial organization, as at present constituted, would fall to the ground with a crash. Against this system the individual is helpless.

Under the present organization of Society a vast majority of the population is unable to buy more than the barest necessities of life. Great masses are unable to buy even these. If the small minority that possesses purchasing power was not practically forced to buy more than it really wanted or needed, our whole present system of industry would fail. And in spite of what may be called the desperate efforts of manufacturers and merchants and their hired talent to compel ever quicker and more reckless changes of fashion signs are not want-

ing to indicate that this crash nevertheless can not much longer be averted.

It is estimated that last year two billion dollars was expended in the United States on advertising and "salesmanship" and still is heard from Maine to California a general complaint that Business is Bad.

The President assures the nation that this condition is but Psychological. Glowing Crop Reports are circulated as evidence of a well fed populace. Old party political orators find assurance of national prosperity in the annual report of the Department of Commerce, which shows American Exports exceeding Imports by \$653,000,000.

But all the time the merchant looks with dispirited eyes upon his shelves of goods which will not sell. The commercial traveller finds it hard to maintain that light assurance and optimism, which salesmanship experts assure him is the successful commercial manner, in the face of ever lighter order books and ever mounting household expenditures. The eyes of the Unemployed leap across the Crop Reports to scan with eager ferocity the Help Wanted column. And as mayhap one of this gaunt army catches the light assurance of the well-fed that with Exports exceeding Imports all is neces-

sarily well with us, perhaps at least a glimmer flits across his confused and tired mind of that profound though seldom regarded economic fact, that over-Exportation abroad indicates under-consumption at home.

The great Siegel dry goods enterprises failed in March, the Claflin chain of stores went to the wall in June. In every large city in this country to-day are closed stores and factories with goods on their shelves and signs on their front doors reading "Bankrupt Stock" or "Receiver's Sale."

And in every city and village in this country to-day human beings are walking the streets looking for work and destitute of the barest physical necessities of life. Necessities which lie stacked up on counters and in warehouses, which their labor has produced and which the insane Capitalist or Profit system does not allow them to use.

This condition of industry in which factories shut down, stores close and men are laid off is called variously a slump, a business depression, hard times. What it really means is that men must walk the streets and beg for work because they have worked too much. They and their families must do without the barest necessities because they have produced too much.

All the wheels of industry must slow down until the Unconsumed Surplus is worked off. Sometimes even with all the resourcefulness of high salaried managerial skill this can not be accomplished at home. Then the capitalist owners of industry begin to look abroad for a foreign market for their goods and foreign investments for their surplus capital. For the high purpose of finding a dumping ground abroad for a surplus domestic product, capitalists force wars. Then under the guise of "Patriotism" the workers of one country are fooled into going to the front in defense of their Nation's honor. There they murder in battle the workers of another country and help to destroy some of the wealth that they have produced and for lack of which their families are suffering at home. Also they help to send interest rates up for the gentlemen whose patriotic services in the nation's honor consist in staying at home and financing these undertakings.

Meanwhile just in the name of common sense how does the whole thing strike you?

You pinch and scrimp and save, Madam House-wife and Mother. You force your weary eyes to remain open a little longer at night in order to put another patch on the little fellow's

trousers. And your reward for that will be to learn at the end of the season that your boy's father has been laid off from work because the manufacturer for whom he toils has hundreds of dozens of pairs of unsold trousers left over on his shelves. You save and scrimp and pinch, you cherish eggless recipes and learn to feed your family on six eggs a week and your reward for that is to read one day the statement of Dr. M. E. Pennington, Chief of the Food Research Laboratory of the Department of Agriculture, that \$50,000,000 worth of eggs in this country never reach the consumer at all but are sent to the garbage dump and destroyed.

In the very face of the most palpable and desperate efforts of our owners of industry to work off their surplus product we are cursed in this country with a breed of shallow minded reformers who assume that the remedy for all our economic and industrial ills is to create more product. Back to the Land is a popular slogan with these profound thinkers. Let us raise two hogs where but one was raised before. Or let us put up more dwellings that all may be well housed.

Meanwhile miles of bill boarding beseech the prosperous in pocket to buy Our Particular

Brand of bacon. And rows of good houses and apartments stand vacant while the poor pack their tenements a little closer. Also rents are no lower and the price of bacon is shoved a notch higher to cover the cost of our latest "advertising campaign."

But the shallow minded reformer apparently uses neither his eyes nor his reasoning faculties. To him appears no flaw in the argument that if 96 per cent. of our population are ragged, underfed and ill housed for lack of enough production it should be necessary to expend two billion dollars annually in the insane devices of advertising in order to get rid of a surplus product.

He never once questions the reasonableness of an arrangement by which it is necessary to employ a vast army of shop-keepers, market men, clerks, sales persons, agents, solicitors, advertising staffs and selling experts to supplicate possible purchasers to buy in a country in which the vast majority of the population are lacking the barest physical necessities.

When the country was young and the wilderness to be conquered men often worked from sunrise to sunset to produce for themselves and their families the things that they needed. To-day the great masses of men and women toil

long hours to produce more commodities for those that do not need them because they already have too much.

Between those that do need the wealth and the wealth that they need is interposed the Capitalist or Profit System. They are not allowed to consume the product of labor except by paying a profit to the owners of labor.

The basic principle of Capitalism is that money breeds money. If an owner invests in the stock of an industry \$100 this year he expects to take out of that industry \$105 next year. If he does not get his increase the enterprise is called a failure. But money does not breed money, wealth does not breed wealth, except out of human toil. Mr. Rockefeller might stack up a pile of dollars as high as the Woolworth building and they would not turn one wheel or stoke one fire. He might cover his vast acres with stocks and bonds and they would not bring out of the earth one gallon of oil.

It is only through human toil that the resources of earth are delivered up to swell the fortunes of the owning class. For every dollar of wealth an owner or investor gets that he has not earned some toiler has earned a dollar that he did not get.

And the dollar that he earned and did not get will be added to the already staggering hoards of the Unconsumed Surplus of the Rockefellers, Astors and Morgans. There all the devices of Newport villas, steam yachts and boarded up Fifth Avenue mansions will not enable these men and their heirs to squander all of their surplus product upon themselves. It will therefore have to be reinvested and will once again constitute an additional demand for profit out of the sweat and blood of labor.

A favorite defence of capitalists used to be that "they give employment to labor." Mrs. Grabitall's \$75,000 dinner dance was justified on the plea that so many persons were given employment in its preparation. The order of mind that finds in this argument a justification for capitalists would doubtless hold that fires and cyclones perform a useful and beneficent service to society. These also destroy what they cannot consume.

"Fleas," observes some philosopher, "give employment to a dog." But no one ever called them a benefit to the dog. Neither is capital a benefit to labor. It is not additional toil of which labor stands in need but a chance to gather to itself some of the fruits of its own industry.

Under a sane instead of an insane economic system the more the workers produced the greater would be their rewards from their toil. Under a Co-operative or Socialist form of Society increased efficiency on the part of a man or a machine would result in shorter hours of labor and greater benefits to all. Under the present Competitive, Private Ownership form of Society increased efficiency on the part of a man or a machine results merely in throwing greater numbers of his fellow workers out of a job and in piling up the Unconsumed Surplus for the fortunate few.

It has been estimated that even in the present stage of invention all the work of the world necessary to supply mankind with all of its needs could be performed if each adult person worked four hours a day. The excess time that the great army of workers now toil is in order merely to pile up more interest and dividends for the Rockefellers, the Vanderbilts and the Morgans.

Meanwhile Business does not get Good and it will not get good. All the tariff tinkering, currency reform, trust busting and the entire program of regulative measures of the Democratic Party, the Republican Party and the Progressive Party will not make business good.

All the advertising campaigns and efficiency contests of the commercial experts will not make business good. Strive as we may to conceal this condition, to disguise it under the head of "a temporary depression," to lie about it in the columns of the kept press, business is bound to get worse and steadily worse. In the very nature of things it can not be otherwise so long as the present organization of Society endures.

More and more factories will shut down, greater numbers of stores are bound to fail, railroads will lay off still more men, an ever increasing army will tramp the streets begging for what should be the natural heritage of work. While inside the shops and warehouses will be stored up the commodities that these men and their class have produced and for lack of which their families are suffering in destitution and misery.

There will be not one essential change in these conditions of wide spread wretchedness, Mr. Reformer; your business will never again be good, Mr. Merchant; until labor gains the purchasing power to buy back its own product.

This will come about only when the wages and salaries paid to labor equal the full value of the product of labor. That will be when labor itself instead of capital owns the Nation's in-

dustries. The first big step toward peace, serenity and industrial freedom will be for the Nation to own the Trusts, and not to own them and operate them for the benefit of the idlers and the Parasites, but to own and operate them for the sole benefit of the workers. These alone produce wealth; these alone should have the wealth that they produce, and the control and direction of industry. Government ownership that stops short of democratic management will never reach the heart of existing evils. Control by and for the producers is the one practical solution.

CHAPTER VIII

THE PATH TO PEACE

So long as government remains in the hands of Big Business and its representatives and agents labor can expect to secure no real attention to its demands and not a particle of change in its condition.

What will continue to happen to it may be seen from the following illustration:

Under the perversion of the Sherman Anti-Trust law by which labor unions were, by a forced interpretation, regarded as "combinations in restraint of trade," great injustice was done to these organizations, which consequently demanded that the perversion of law against them should cease.

For six years after the celebrated "Danbury Hatters Case," labor petitioned in vain for this simple act of justice. Sometimes Congress contemptuously refused to hear it and sometimes it heard but would not heed.

Under the threat of united action at the polls, labor finally succeeded in inducing the Demo-

cratic party to pledge itself unequivocally in its national platform to amend the Sherman law so that labor unions should be exempted from the operation of the act.

So long as the Democrats were out of power or had only the House of Representatives the situation remained unchanged. When the full control of government passed nominally to the Democrats, labor insisted that the pledges made in the party platform should be kept.

Part of the Wilson program was to amend the Sherman act on other lines and when this came to be done, the promise was made by the Democratic leaders in the House that the exemption of labor should also be included.

Labor looked forward expectantly to the fulfillment of this promise.

When the bill was finally prepared and reported for passage, the paragraph alleged to contain the exemption read as follows:

That nothing contained in the Antitrust laws shall be construed to forbid the existence and operation of fraternal, labor, consumers, agricultural or horticultural organizations, orders or associations instituted for the purposes of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations, orders or associations from carrying out the legitimate objects thereof.

Which was as clever a piece of legislative chicanery as was ever seen in Washington. For you will observe that in reality the clause exempted nothing. By a juggling of words it was made to appear to except these organizations and really left them where they were.

It was thus that the Democratic party fulfilled the pledges to labor that it had solemnly undertaken in its platforms and on the basis of which millions of workingmen had voted the Democratic ticket.

The leaders of organized labor perceived the filthy trick that had been played upon them and demanded that the paragraph be amended to read as follows:

That nothing contained in the Antitrust laws shall apply to fraternal, labor, consumers, agricultural or horticultural organizations, orders or associations instituted for the purposes of mutual help, and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations, orders or associations from carrying out the legitimate objects thereof.

At this a bit of stage play took place. Reactionary members of Congress and a large part of the press denounced the proposed amendment as unfair, unjust, illegal and revolutionary, accusing labor of bad faith and dis-

honesty in demanding it. For the impression was adroitly conveyed that labor had agreed to the provision as it stood in the bill and was now reversing itself to secure some additional advantage never before contemplated.

The Democratic leaders generally refused, on these grounds, or alleged grounds, to consider the amendment labor desired and the labor leaders refused to accept the bill as it stood. The controversy lasted several days and seemed to be beyond hope of settlement, when in an apparent spirit of compromise a final conference was suggested and a visit to the White House. The result was that the bill was amended to read thus:

Sec. 7. That nothing contained in the Antitrust laws shall be construed to forbid the existence and operation of fraternal, labor, consumers, agricultural, or horticultural organizations, orders, or associations, instituted for the purposes of mutual help and not having capital stock or conducted for profit, or to forbid or restrain individual members of such organizations, orders, or associations from carrying out the legitimate objects thereof; nor shall such organizations, orders, or associations, or the members thereof, be held or construed to be illegal combinations or conspiracies in restraint of trade, under the Antitrust laws.

Which again is a juggle of words, its meaning depending upon the interpretation that may

be given to its obscure clauses. What, for instance, are "legitimate objects"? A court might and probably would hold that any strike was illegitimate.

When this amendment reached the floor of the House, two or three members that perceived the large possibility it offered for "judicial interpretation" that would destroy all chance of relief from the present situation, tried to have the amendment as drawn by the labor leaders and quoted above, substituted for the vague declaration brought in by the committee. These men were howled down and the amendment as given here was adopted.

What it means or will mean will depend upon the interpretation given to it by the courts, for as it stands it can be construed either way. Unless the courts have undergone a marvelous transformation there is little doubt as to how they will interpret it. Also there seems as little doubt in the mind of President Wilson as to what the thing means. The next day after it passed, at the semi-weekly meeting of the correspondents at the White House, the official representative of the President was asked plainly this question:

"Does the amendment to the new anti-trust

law exempt labor unions from prosecution under the Sherman law as at present? ”

Quick as a flash the answer came back :

“ It most assuredly does not.”

The Japanese have a style of wrestling called jiu-jitsu, the principle of which is to cause your opponent to think he is throwing you, whereupon you make a sudden move and throw him.

In the practice of this intricate art the Japanese are mere children compared with the adroit politicians that conduct Congress in behalf of the corporations and the Controlling Interests.

These had determined that the situation in regard to labor and the Sherman act should not be essentially changed. It will be seen from the foregoing that they have had practically their way. They always do have their way and always will until the great working class, constituting the vast majority of the population, is fairly represented in government.

Sometimes the question is asked what could be accomplished if the working class should unite and secure the share in the government that belongs to it.

Here are some of the things that would then happen :

It must be apparent that the heart of the trouble with this nation is the abnormal power secured by a few men through their possession of great wealth and great privileges. Every dollar in the great fortunes of these few persons is a unit of political power, exerted for their own benefit, and used to get more power to get more wealth and then more power.

Working class government could abolish these privileges and with them this power that makes a republican form of government little better than a jest. With the abolition of the power of privilege would go the perversion of justice, the control of the courts in the interest of wealth, the domination of government in the same interest, the disfranchisement of millions of workingmen through unjust election and registry laws, designed to this end.

But still beyond these great ends would be the change in the present methods of production and distribution so that the workers shall secure approximately the full value of the wealth they create.

That is to say, to put out of business forever the great pump that is now drawing into the hands of a few men all the resources of the country and producing the absolutely fatal con-

dition under which the cost of living steadily increases, but there is no corresponding increase in wages.

To eliminate the Parasite and the idler, to abolish poverty and secure for the child of the least fortunate every advantage and opportunity now enjoyed by the children of the rich; to substitute co-operation for the present insane system in which every man is sent forth armed against his brother; to put an end to unemployment, want, destitution, insufficiency in the midst of plenty, and all the horrors of capitalism — these are the things that must be done if civilization is not to revert to plain savagery.

There is but one way to peace and justice and that is through the co-operative commonwealth. There is but one way to secure the co-operative commonwealth and that is through the united action of the workers, the sufferers under the existing conditions of accumulating wealth for the few and increasing poverty for the many.

The first step toward this beneficent change is to substitute working class government for government by the Parasites and their representatives.

The time to begin that step is now. No one else will ever secure justice for the working class but only the working class itself.

THE END



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